

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2016

TUESDAY, MARCH 17, 2015

**U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
*Washington, DC.***

The subcommittee met at 3:05 p.m., in room SD-138, Dirksen Senate Office Building, Hon. Shelley Moore Capito (chairman) presiding.

Present: Senators Capito, Schatz, and Murphy.

LIBRARY OF CONGRESS

STATEMENT OF DR. JAMES H. BILLINGTON, LIBRARIAN OF CONGRESS ACCOMPANIED BY:

**DAVID MAO, DEPUTY LIBRARIAN OF CONGRESS
ROBERT NEWLEN, CHIEF OF STAFF
MARY KLUTTS, CHIEF FINANCIAL OFFICER
MARK SWEENEY, ASSOCIATE LIBRARIAN FOR LIBRARY SERVICES
ELIZABETH SCHEFFLER, INTERIM CHIEF INFORMATION OFFICER
AND ASSOCIATE LIBRARIAN FOR STRATEGIC INITIATIVES
DR. MARY MAZANEC, DIRECTOR, CONGRESSIONAL RESEARCH
SERVICE
MARIA PALLANTE, REGISTER OF COPYRIGHTS
LUCY SUDRETH, DIRECTOR OF SUPPORT OPERATIONS
KAREN KENINGER, DIRECTOR, NATIONAL LIBRARY SERVICE FOR
THE BLIND AND PHYSICALLY HANDICAPPED**

OPENING STATEMENT OF SENATOR SHELLEY MOORE CAPITO

Senator CAPITO. Good afternoon. The subcommittee will come to order, and I would like to welcome everyone to the third of our fiscal year 2016 budget hearings for the Legislative Branch Subcommittee of the Committee on Appropriations.

The ranking member, Senator Schatz, is in the Commerce, Justice, and Science (CJS) Appropriations hearing at the minute. He's in a holding pattern of 7 minutes before he gets to question, and I asked if he didn't mind—he actually encouraged me to go ahead and go forward with the testimony.

So with that in mind, I just would like to welcome everybody. Today we will have two panels of witnesses. The first panel will be Dr. James Billington, the Librarian of Congress, accompanied by the Deputy Librarian, Mr. David Mao, and the Chief of Staff of the Library, Mr. Robert Newlen.

At the completion of Dr. Billington's testimony and the subsequent question-and-answer session with the Library, we will then

turn to the Architect of the Capitol, the Honorable Stephen Ayers, for our second panel.

I would like to begin by welcoming Dr. Billington, who this past September marked his 27th year as the Librarian of Congress, quite an achievement. That's a wonderful accomplishment, and we thank you for your dedication to the Library and for your many years of public service.

I would also like to welcome the newest members of Dr. Billington's team, your leadership team, who together with the combined 75 years of service to the Library of Congress bring a wealth of knowledge to these new leadership positions: Mr. David Mao, the Deputy Librarian of Congress; Mr. Robert Newlen, the Chief of Staff; and Mary Klutts, the Chief Financial Officer. We congratulate you on these new responsibilities and wish you all the best in helping to lead the Library through the next chapter of its life.

I understand that there are several other members of the senior leadership team here today. I did get a chance to meet them all, so I appreciate all of you coming and I want to extend to you the subcommittee's appreciation for all the tremendous work that you do in supporting the Congress in keeping the Nation informed and maintaining the history of our Nation, as well as others around the world.

So again, thank you all for being here with us today for this important discussion on how the Library is planning to move forward in the coming fiscal year.

I note that the Library's total fiscal year 2016 budget request is \$624.5 million, or a \$33.5 million or 6 percent increase above the fiscal year 2015 enacted level. Given the continued budget constraints within which we must operate, it will be important to hear from you what the most critical priorities are for the Library because we may not be able to fund all of the requested increases.

So now I would like to turn to my ranking member, but he's not here, so I'll turn to him in a few minutes.

I would like to ask Dr. Billington to give a brief opening statement of approximately 5 minutes. The written testimony you submitted to the subcommittee will be printed in full in the hearing record.

Dr. Billington.

SUMMARY STATEMENT OF DR. JAMES H. BILLINGTON

Dr. BILLINGTON. Thank you, Madam Chairman and members of the subcommittee. Thank you for the honor and pleasure of providing testimony in support of the fiscal year 2016 budget request of the Library of Congress. We're grateful for the support that this subcommittee has given to the Library, and we look forward to working with you as public servants, living in a time of both continuing budget constraints and an ongoing revolution in how knowledge is generated and communicated and used.

You have already mentioned several of the new management colleagues appearing for the first time before the subcommittee. I would just mention in addition to the three you mentioned are Mark Sweeney, Associate Librarian for Library Services; Elizabeth Scheffler, Interim Chief Information Officer and Associate Librar-

ian for Strategic Initiatives; Dr. Mary Mazanec, Director of the Congressional Research Service; Maria Pallante, the Register of Copyrights; and Lucy Suddreth, Director of Support Operations; and as well another member of the Library's management team, Karen Keninger, Director of the National Library Service for the Blind and Physically Handicapped.

The Library of Congress fiscal year 2016 budget request is for approximately \$660 million and represents a 5.7 percent increase over the Library's fiscal year 2015 funding level. Nearly two-thirds of this requested increase, \$21.9 million, is needed to cover mandatory pay increases and unavoidable price level increases anticipated for fiscal year 2016. The remainder, \$13.9 million, makes key investments in infrastructure of our aging physical plant and information technology and addresses gaps in critical areas of expertise that we've lost to attrition, a particularly acute need in the Congressional Research Service (CRS).

In recent years, the Library has operated with progressively fewer resources. The total Library appropriation has decreased by more than \$53 million—almost 8 percent—since fiscal year 2010. We're doing much more with many fewer employees. Since 1992, the Library has added its massive digital programs to its still growing traditional analog collections and services despite losing 1,429 full-time equivalents (FTEs). Our fiscal year 2016 budget request will further reduce the number of authorized FTEs across the Library by 405, or 11 percent, because we simply cannot support them with current funding.

We are deeply concerned also about moving into fiscal year 2016 with the prospect of another sequestration, which would require making additional cuts to our programs and would prevent us from making necessary investments in infrastructure and in staff with critically needed skills and expertise.

The Library continues to serve the Congress and the American people in ways that no other institution anywhere can match. The Congressional Research Service is the research arm of the legislative and oversight work of the Congress, and we also serve Congress through the Nation's largest law library. As the de facto national library of the United States, the Library now acquires, preserves, and makes accessible free of charge the largest, most wide-ranging collection of humanity's recorded knowledge ever assembled anywhere in the world by any one institution.

The U.S. Copyright Office encourages, protects, and preserves the work of America's innovative curators. The Copyright and Library Services staff work hand in hand to ensure that the copyright of intellectual culture of the American people is preserved, continuing to fulfill the original mandate of copyright when it was brought into the Library in 1870.

The National Library Service for the Blind and Physically Handicapped provides the only free public library reading service for these Americans, wherever they live.

We are taking steps to maximize efficiency, minimize the cost of the Library's services, and placing a much greater emphasis on shared services both within the Library and across the entire Legislative Branch, such as the Legislative Branch Financial Management System, which is hosted by the Library. We recognize that

there is much congressional discussion at the moment about the important work of updating copyright law for the 21st century, and as the Act is updated, Congress' Library needs to be sure that the concept of building, preserving and protecting this key part of the national memory for the benefit of the American people is not lost.

There are two unique characteristics of the Library of Congress that make it an increasingly valuable resource for sustaining American leadership in the information age. First, both our security and economic competitiveness globally are increasingly dependent on the acquisition and the use of the world's knowledge, for which the Library is the entire world's preeminent resource. Secondly, America's special capacity for creative innovation is sustained and advanced by America's only comprehensive storehouse of our citizens' copyrighted intellectual and cultural creativity.

Madam Chairman, the Library of Congress is the world's largest reservoir of knowledge. The Library embodies and advances the distinctive American ideal of a knowledge-based democracy. We will be grateful for your consideration of our fiscal year 2016 funding request.

To the subcommittee, Madam Chairman, all of you, I wish to thank you all again for your support of the Library.

[The statements follow:]

PREPARED STATEMENT OF DR. JAMES H. BILLINGTON

Madame Chairman, Ranking Member Schatz, and members of the subcommittee: Madame Chairman, thank you for the honor and pleasure of providing testimony in support of the mission and fiscal 2016 budget request of the Library of Congress.

The Congress of the United States created in 1800, and has generously supported ever since, this amazing one-of-a-kind institution. We who work with and for you at the Library of Congress are deeply grateful for the annual appropriation you entrust to us. We are in continuing awe of the enduring mission you have shaped for us through a series of historic mandates. We are, at the same time, public servants living in a time of both continuing budget constraints and an ongoing revolution in how knowledge is generated, communicated, and used.

I come before you today in the midst of an extraordinary year of unprecedented, purely internal, library-wide self-examination from the bottom up and top down. This collaborative process is preparing us to produce by the end of fiscal 2015 an altogether new strategic plan for fiscal years 2016–2020. It will be designed both to maximize efficiency and minimize cost. We will build on the Library's already proven strengths and make the Nation's oldest Federal cultural institution one of its most innovative.

Congress's library now acquires, preserves, and makes accessible free-of-charge the largest and most wide-ranging collection of humanity's recorded knowledge ever assembled anywhere in the world by any one institution. We also house an unparalleled collection of the multi-media cultural and intellectual creativity of the American people.

For fiscal 2016, we are asking for \$666.629 million, a 5.7 percent increase over our 2015 budget. Because of the unique skills of so many of the Library's staff, we have kept to a minimum cuts in our pay budget. But irregular funding for mandatory pay raises and price increases, attrition in our aging workforce, and limitations on new hirings have already weakened key areas of our expertise, and they can no longer be replaced by redeployments from base funding. Therefore, the Library's budget request for fiscal 2016 is needed to cover a few critical resource additions (\$13.9 million), but mostly just mandatory pay and price level increases (\$21.9 million).

The unique services performed by the Library's dedicated and multi-talented staff include:

1. Our highest priority of providing all congressional members and committees with authoritative, timely, and non-partisan research and analysis to support the legislative and oversight work of both houses of Congress, through the Congressional Research Service (CRS) and the world's largest Law Library (LAW).

2. Encouraging, protecting, and preserving the work of America's innovative creators through the U.S. Copyright Office (COP), which registers these works, records copyright documents, and administers the Nation's copyright law.
3. Providing the only free public library reading service for blind and physically handicapped Americans wherever they live, thanks to the Library's National Service (NLS) and its home delivery of braille and talking books through local libraries.
4. As the de facto national library of the United States, providing multiple and unique services that almost invariably could not be done as well or better by any other existing institution. Library Services (LS) supports the entire library system of America through our cataloging standards and services and our multi-formatted preservation research and practices. And for 20 years the Library has been providing massive, curated, primary documents of American history and culture online for the education and inspiration of K-12 teachers and students and for life-long learners of all ages.

Congress's Library is in many ways America's strategic information reserve: a unique multi-media resource of growing importance for America in the turbulent information age. At the beginning of the current fiscal year on October 1, 2014, the Library contained more than 160 million analog items in virtually all languages and formats and 5 petabytes of stored digital content. The Library also continues to receive, index, and store copies of half a billion Twitter messages a day.

We have put in place an entirely new and collaborative top management team to bring our traditional analog and digital services closer together. We now have an outstanding new Deputy Librarian of Congress, Chief of Staff, and Associate Librarian for Library Services. All three have already successfully exercised multiple responsibilities within the Library of Congress and in the broader library community.

We have also made four additional new appointments to assure the highest quality for future core Library services: a former Dean and President at two leading universities as the director of all of the Library's Scholarly Programs; two widely experienced technologists as the Interim Chief and Acting Deputy Chief Information Officers of the Library; and a deeply experienced new permanent head of the Library's financial services division, which also does work for other legislative branch services.

This new leadership—as well as our year-long, staff-level Futures Program—has been added from within the Library without any additional expenses. We are doing much more work with far fewer employees. Since 1992, the Library has added its massive digital programs to its still growing traditional analog collections and services despite losing 1,429 FTE's, about 30 percent of our workforce.

Last year, the Library provided reference services to more than 467,000 individual researchers, recorded more than 78 million visits to our Web sites, and provided more than 23 million copies of braille and recorded books and magazines to more than 890,000 blind and physically handicapped reader accounts.

In recent years, the Library has operated with progressively fewer resources. The total Federal appropriation has decreased in excess of 7.8 percent: from \$684.3 million in fiscal 2010 to \$630.9 million in fiscal 2015.

Our fiscal 2016 budget request will further reduce the number of authorized FTE positions across the Library by 405—11 percent—because we cannot support them with current funding. We have cut critical infrastructure, deferred important investments, consolidated broad program areas, and strengthened governance processes.

We will need in the near future more flexibility in hiring an expert staff—not just for this Library, but for our country. The erosion of basic funding is already compromising our ability to deliver high-quality knowledge resources to the Congress and the American people. And we must make key new investments in the critical infrastructure of our aging physical plant and information technology.

The following are some of the most pressing challenges that the Library faces if it is to avoid unintentionally slipping into a decline that might be easy to overlook but impossible to reverse.

The Library's Congressional Research Service provides objective, nonpartisan information and analysis solely in support of the Congress. Last year, in the 100th year of its founding, CRS served 100 percent of Congressional Members and standing committees through tailored briefings, varied programs, and confidential memoranda. The Service supported Congress with a full range of written analyses and personal consultations for which the Director's testimony provides a detailed chronicle. CRS must often move quickly to marshal resources from a variety of disciplines across and beyond the Service to provide members and committees with legal and policy options to confront complex and fast-moving national and international problems.

CRS has lost senior expertise in areas that cannot easily be back-filled: trade, defense, natural resources, social policy, and public finance—and continues to need dynamically to reshape its workforce, to continue to provide the authoritative and objective research and analytical support that have been the Service's hallmark for the last 100 years.

Storage Space: Delays in executing the Ft. Meade master plan have left the Library's existing facilities functionally beyond capacity. Nearly a million books are currently stored on the floor or on book trucks in the Jefferson and Adams buildings, with more than 250,000 new volumes arriving every year. Continuous growth of the collections without a commensurate increase in acceptable storage space has led to a crisis of significant proportion, posing threats to the safety and well-being of Library staff; the preservation and security of collections; the ability to serve the Congress, researchers, and the Nation through free interlibrary loans; and preserving the structural integrity of the book stack areas of the Jefferson and Adams Buildings. We urgently seek \$4.8 million to expand collections storage capacity through the installation of compact shelving and lease of interim collections storage space until planned Ft. Meade modules are available. We are grateful for fiscal 2014 funding for the construction of Ft. Meade Module 5; however, even when Module 5 is fully built and available in fiscal 2018, we will still be unable adequately to meet our storage needs and unable to mitigate the issues of overcrowding and safety violations. In the long run, completion of the storage modules at Ft. Meade will be vastly more cost effective.

The Law Library is a small enterprise with a critical mission. The Law Library currently is unable to address fundamental collection needs after multiple years of unfunded pay increases and direct budget cuts. Additional funding is essential to ensure that the Law collections are cataloged in compliance with accessibility and classification standards widely accepted by all researchers. As of September 30, 2014, approximately 408,000 volumes remained unclassified.

Skill Gaps: Over the last 5 years, the Library has developed significant skill gaps that have opened up serious holes in world-class expertise, many of which are caused by the Library's inability to back-fill. Holding positions vacant is one of the few means available to accommodate mandatory pay raises in the absence of new funding. Identifying and filling skill gaps was one of the strongest recommendations of the staff in the Library's Futures Program.

Library Services, the largest unit of the Library, recently lost the language and subject matter expertise and technical skills of its sole South Asian expert, seriously reducing the servicing of collections and reference questions about India. We also lost our Turkic language expert, radically diminishing our acquisitions and reference service for material from the many different Turkic-language-speaking countries. The Manuscript Division now lacks high-level subject matter expertise in legal, military, science, and technology areas. And many Library Services divisions, as well as the Law Library, need more skilled technologists to work with our growing digital content.

The U.S. Copyright Office: A Scholar in Residence recently delivered to the Register a comprehensive report with recommendations for transforming the operation of publicly recording copyright-related documents, including copyright assignments and licenses. It was the first substantive analysis of document recordation in several decades and will assist the Register in planning activities necessary to bringing recordation online in fiscal 2015 and 2016. The Copyright Office also recently published a major policy study on the current music licensing system, *Copyright and the Music Marketplace*, which one leading industry publication called a “rare instance of government getting out in front of moving technology.” The many challenges of copyright in the digital age are discussed in detail in the separate report of the Register of Copyrights to the committee.

The Library recognizes there is much congressional discussion at the moment about updating the copyright law for the 21st century. This work could not be more important when the economic, social, and intellectual value of copyrighted works is so significant to America and the world. As the Act is updated, the Library wants to be sure that the concept of building, preserving, and protecting a “national collection” for the benefit of the American people is not lost.

Fifty or 100 years from now, members and constituents will turn to the national collection to read, learn from, and build upon the creative output of American authors, composers, filmmakers, artists, and others—just as citizens today are reaping the value of creative works that were added to the collections in 1965 and in 1915.

Copyright deposit built much of the national collection. Congress has made the Library the sole repository of copyrighted works. New works must continue to be added to the national collection at the Library—especially in the Internet age, when the nature of information itself undergoes so many changes. This is a commitment

that the Congress, the patron of the national collection, and the Library, its steward, have made to current and future generations of Americans.

Despite our many challenges, this is a time of great promise for the Library. Digital technology is transforming in all areas of our work to deliver services to the Congress and its constituents.

We are asking for \$2 million to fund the Digital Collections Center, to provide proper stewardship of the Library's rapidly growing digital content. Over the last 5 years, the Library's traditional analog collections have averaged 3.6 million added pieces per year. During this same period, archived Web content has grown exponentially from roughly 125 to 582 terabytes, an annual average increase of more than 73 percent. The development of a dedicated Digital Collections Center, with the capacity to manage and sustain all this digital content, is an essential investment to fulfill the Library's collections stewardship mission now and into the foreseeable future.

The Library's strategic management of its information technology assets and operations is a significant issue addressed in the report language of this subcommittee last year and in recent findings of the GAO. Management of recommendations in strategic planning, enterprise architecture, human capital management, investment management, system acquisition and development, security, and service management are all challenges that our Interim Chief Information Officer and her Deputy are now moving aggressively to address; and the Library is conducting a national search for a permanent Chief Information Officer, whom we expect to have in place by the end of this year.

Last year I spoke of the Futures Program that will inform the next strategic plan. Library staff from many different programs and levels below the Executive Committee suggested new 21st century approaches to fulfilling the Library's historic service missions. The Futures Program's recommendations have generally built on the Library's unique strengths and required minimal new resources. They reaffirmed the historical integrity and objectivity of all Library of Congress services—keeping the Library free from any commercial or political advocacy agendas and demonstrating the Library's importance for sustaining American leadership in an increasingly knowledge-dependent world, while launching new initiatives.

The Library is also meeting the challenges of minimizing duplication in performing its services—placing a much greater emphasis on shared services both across the legislative branch and within the Library. Currently, the Legislative Branch Financial Management System (LBFMS) resides at the Library, which holds the financial system not only for the Library but also for four other legislative branch agencies. In fiscal 2016, the Architect of the Capitol will become the fifth cross-serviced agency.

The Library collaborated with the House and Senate and other legislative branch agencies to more effectively exchange and present legislative information by adding new online features and data to Congress.gov and by contributing to the Speaker's Bulk Data Task Force. Internally, the Library is moving forward with a range of shared service initiatives, such as implementing a Library-wide geospatial information system to address the mutual needs of staff in CRS, Library Services, and the Law Library in responding to congressional requests. Other examples of service and economy-motivated joint opportunities are the execution of a Library-wide plan for the contract and use of mobile devices, development of a business case for Library-wide performance of IT security certification and accreditation requirements, and forming the requirements for a single authoring/publishing system for research performed at the Library.

The Library's Veterans History Project (VHP), unanimously mandated by both houses of Congress, is now the largest oral history project in America. VHP will celebrate its 15th anniversary in October and will soon reach 100,000 recorded oral histories. Over the last year this program has collaborated with more than 150 congressional offices, providing constituent services, briefings, and volunteer training sessions for interviewing those who served in the military in all America's wars during the last century.

In 2014, the Library continued its very popular evening services of Congressional Dialogues on Great American Presidents, provided exclusively for Members of Congress. The Library's new James Madison Council Chairman, David Rubenstein, skillfully interviewed renowned experts like David McCullough, Scott Berg, and Doris Kearns Goodwin about the challenges and accomplishments of seven iconic Presidents: George Washington, John Adams, Thomas Jefferson, James Madison, Abraham Lincoln, Theodore Roosevelt, and Woodrow Wilson. Members then asked questions and made off-the-record comments, having previously studied key original documents from each President's collections in the Library's vast holdings of early Americans. We are continuing this series into 2015, expanding it to include great

Americans. These unique events regularly attract at least 120 Members of Congress, and this year's series opened on February 3 with a well-attended dinner and dialogue on Benjamin Franklin.

The Library has presented a particularly rich array of public exhibitions and special events over the past year. More than 112,000 visitors viewed the *Magna Carta: Muse and Mentor* exhibition at the Library from November 6, 2014 to January 19, 2015 in honor of the 800th anniversary of this document. The King John 1215 Magna Carta, loaned by the Lincoln Cathedral, was its centerpiece, and rare items from the Library's rich collections showed the Magna Carta's importance to the development of constitutional law in the United States. Seven United States Supreme Court Justices took part in the celebratory events along with a former Chief Justice of the United Kingdom, and HRH The Princess Royal, the only daughter of Queen Elizabeth II.

Other new Library exhibitions last year included *Mapping a New Nation: Abel Buell's Map of the United States, 1784; A Thousand Years of the Persian Book; and The Civil Rights Act of 1965: A Long Struggle to Freedom*, including Martin Luther King, Jr.'s original copyrighted "I Have a Dream" speech.

The Library of Congress had an unusually rich year of free poetry readings and concerts. Particularly memorable was a program led by the great baritone Thomas Hampson celebrating the different historical stages and versions of our national anthem. A star-studded program at a packed Constitution Hall honored Billy Joel with the Library of Congress Gershwin Prize for Lifetime Achievement in American Popular Song. PBS extended the length of its nation-wide television broadcast from its customary hour to a first-ever 90 minutes.

On February 4, 2015 the Library formally opened to researchers the Rosa Parks collection of approximately 7,500 manuscripts and 2,500 photographs. On loan to the Library for 10 years from the Howard G. Buffett Foundation, the collection includes personal correspondence and photographs, and letters from Presidents. A small display of items from the collection will subsequently be on public exhibit.

During March 4–7 we celebrated the 150th anniversary of Abraham Lincoln's great speech at his second inaugural with a rare public display of the President's original reading copy. The 15th annual National Book Festival will take place this September.

The Library of Congress is the world's preeminent reservoir of knowledge. The Library embodies and advances the distinctly American ideal of a knowledge-based democracy. We will be grateful for your consideration of our fiscal 2016 funding request.

PREPARED STATEMENT OF MARY B. MAZANEC, DIRECTOR, CONGRESSIONAL RESEARCH SERVICE

Madame Chairman, Senator Schatz and members of the subcommittee:

As the Congressional Research Service (CRS) begins its second century of service to Congress, it is a pleasure to appear before you today to present our fiscal year 2016 budget request. Two thousand fourteen—our centennial year—was a time of celebration, reflection, and activities that drew our staff together. We also engaged present and former members in discussions concerning CRS, the evolution of the institution and its support for the Congress, and what the future may hold for both the Service and Congress.

I hope you have had the opportunity to read the history we prepared of CRS's first one hundred years, "CRS at 100: Informing the Legislative Debate Since 1914". It not only highlights the accomplishments of CRS in support of the Congress but also shows the breadth and depth of expertise embodied in our staff and their commitment to our mission of helping provide for a more informed legislature.

We are also very proud of another special centennial publication, the Senate Rules Committee Print, "The Evolving Congress", which features a series of essays analyzing important trends in the evolution of congressional organization and policy making over the last many decades. Next month, with support from the Hewlett Foundation, we are continuing that important discussion at a special event with E.J. Dionne, Michael Gerson, and Frances Lee. I hope you will be able to join us for what should be a fascinating evening delving into the history of Congress and its future development.

Last year also marked the 100th anniversary of the Constitution of the United States of America Annotated, which we celebrated with a day-long program in September. Popularly known as CONAN, this Senate Document is prepared by attorneys in the CRS American Law Division and tracks the jurisprudence of the Supreme Court of the United States. The program brought together prominent legal

scholars and commentators and included a dialogue about the Supreme Court with Justice Ruth Bader Ginsburg.

It was truly an honor to serve as the Director of CRS during this important milestone in our history.

SUPPORT FOR CONGRESS

While we celebrated our centennial, CRS also provided research and analysis, expert consultation, and an enhanced Web presence to support the full spectrum of congressional policy deliberations. In the last year, CRS experts worked with every member office and congressional committee to help you and your staffs navigate the wide range of complex and controversial issues that confronted Congress. We answered over 61,000 individual requests; had over 7,500 people attend CRS seminars, trainings, and briefings; and provided more than 3,500 new or refreshed CRS reports and other products. CRS.gov is now the repository for nearly 10,000 reports and other information that is accessible at all times.

Two high-profile issues that were addressed by the 113th Congress help illustrate both the depth and flexibility of CRS work for Congress:

The 2014 Farm Bill is a good case study of how the Service assists in the regular, deliberative process of reauthorizing major, complex legislative programs. From the very start of deliberations to replace the expiring 2008 Farm Bill, CRS food and agriculture policy analysts provided in-depth analysis of various legislative proposals across a broad spectrum of policy areas that included farm commodity support, conservation, trade, rural development, nutrition, credit, bio-energy, livestock, horticulture, and research.

Authorizing committees, individual members, and congressional staff called on CRS to explain the intricacies of current farm and food policy and to help identify and analyze policy options for revamping the Federal farm safety net. As the legislation moved forward, CRS experts continued to provide individualized support, including preparing committee staff for legislative markup, analyzing proposed committee and floor amendments, briefing individual members and their senior policy staff, and evaluating a slate of legislative options.

As a group, CRS analysts conducted several well-attended seminars for congressional staff on the various farm bill titles, with consideration of how farm bill spending is affected by pressures for deficit reduction. These seminars were so popular that CRS needed to schedule additional sessions to accommodate interested congressional staff.

With many provisions of the 2008 Farm Bill expiring before the new legislation could be finalized, CRS also fielded many questions about the effects on issues of concern for members' districts. CRS staff responded with authoritative reports and tailored briefings to help members manage the evolving situation.

The overall support to Congress was a testament to the interdisciplinary nature of contemporary policy deliberations, as agriculture and budget analysts at CRS collaborated with attorneys to provide comprehensive coverage of the issues.

Of course, CRS support did not end with enactment of the legislation. After passage, Congress shifted to their oversight role, closely monitoring the Department of Agriculture's implementation of the new law. CRS analysts continue to play an integral role in the oversight process, responding to numerous requests on the implications of the new farm bill, and have conducted a number of "Agriculture 101" briefings for member offices and committee staff about the law. In addition to multiple informative reports on the farm bill, CRS developed a side-by-side analysis of the new law compared to its predecessor and the Senate and House bills.

The Ebola Virus Outbreak highlights the flexibility of the Service to provide in-depth research and analysis for the unanticipated, fast-breaking global challenges that can suddenly find their way onto the legislative agenda.

Last summer, reports of the rapidly spreading Ebola Virus Disease (EVD) raised serious concerns among U.S. and international government officials and lawmakers. At one point in early August, the Centers for Disease Control and Prevention estimated that there could be over one million cases of EVD globally by 2015 if the rate of transmission was not dramatically curbed. Those concerns, which became heightened and accelerated once the first U.S. case was reported, triggered a large number of inquiries from congressional offices, along with hearings on the public health, legal, and international implications of the disease, as well as the U.S. Government response to the crisis.

The CRS response to this public health crisis was swift, thoughtful, multi-disciplinary, authoritative, and timely. CRS analysts from across the Service supported ongoing congressional hearings and investigations into the response to EVD. To provide a broad spectrum of information, CRS experts from multiple divisions used the

full range of CRS products—from traditional reports to newer short-form documents, including Insights, Legal Sidebars, and FAQs—to examine the crisis from a variety of perspectives, including public health, legal, international health and relations, transportation and commerce, immigration, homeland security, and clinical research and product development.

Analysts also conducted in-person briefings and hosted a “Question and Answer” event that was made available to all members and staff in person and through video on the CRS Web site.

By having deep in-house expertise on a wide range of issues, and the ability for CRS experts to work collaboratively, the Service was able to quickly develop the information Congress needed on EVD. That in turn helped members and their staff develop appropriate courses of action to respond to a rapidly changing situation with broad health and national security implications for the country.

Other Legislative Topics: While the Farm Bill and the Ebola outbreak provide a snapshot of how CRS works, over the last year, CRS provided similar support on the entire range of issues before Congress.

CRS analyzed multiple economic, financial, and budget issues, including tax reform, oversight of the implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Export-Import Bank reauthorization, and Bitcoin, just to name a few. Experts also helped congressional offices understand the impact of the Government shutdown and tracked and analyzed the fiscal year 2015 budget request and appropriations process throughout the year. Congress looked to CRS for support on many complex domestic issues, including unaccompanied immigrant children, veterans’ health, human trafficking, child welfare, violence against women, and sexual assault in the military. CRS experts also supported the congressional debate on the Keystone XL pipeline, hydraulic fracturing, re-authorization of Federal highway and public transportation programs, and cybersecurity.

On the foreign affairs front, CRS staff analyzed policy options to address the conflicts in Syria, Iraq, Iran, and the Ukraine; and relations with Russia, North Korea, and China. In addition, CRS supported the Congress on pending international free trade agreements and monitored the negotiations of the Trans-Pacific Partnership, and the U.S.-EU Transatlantic Trade and Investment Partnership.

CRS also presented a symposium on Senate rules changes last year. CRS experts, a former parliamentarian, and past Secretaries of the Senate discussed the impact of these changes with senior Senate staff in attendance. The program was followed by numerous briefings and seminars tailored to member and staff needs.

BUDGET CONSIDERATIONS

Over the last year, the Service has been able to fill some critical gaps in our analytical and information professional ranks. We also hired research assistants to support analysts and contribute to a broader mix of products and services and we continue to improve the CRS Web site and technical capabilities. With the additional staff, we have replaced about one-third of the decreases in personnel that occurred over the past few years due to budget reductions. While we are thinner than we would like in some areas, we are constantly monitoring our staffing across the service to ensure that we have the skill sets and expertise needed to support Congress.

The CRS fiscal year 2016 budget request is \$111,956,000 to fund mandatory pay and price level changes as well as a program increase to enhance research capacity on healthcare policy.

Health Experts. The budget request includes a program increase of \$1,087,000 and six FTEs to add six health policy analyst/attorney positions and \$250,000 of contractor technical and programming support for large health data systems. This increased analytical capacity is needed to meet the high client demand and fully support the work of Congress on healthcare issues. As the healthcare industry is becoming increasingly complex, additional expertise is needed to analyze for Congress recent changes in the financing of health insurance and the delivery of healthcare services. Extra analytical support is also needed to support Congress as it confronts emerging issues under Medicare, Medicaid, the State Children’s Health Insurance Program, and employer-based and private health insurance. In addition, the regulatory framework has become more complex, and provision of healthcare to veterans has come under recent scrutiny. That increase in demand and complexity is putting real pressure on CRS health experts, some of whom are shouldering two to three times the average number of requests as other CRS staff. The six requested staff positions would help relieve that pressure and add expertise in evaluating health industry trends and availability, tax and legal issues, veterans’ care, and data evaluation.

Workforce Initiatives. We are continuing to examine the composition of our workforce to ensure that we have the right mix of skill sets and expertise to best serve the Congress. Last year, we hired 11 research assistants to assist analysts and diversify areas of specialization. We also increased our editorial capacity to support authors in the preparation of products for Congress and have expanded our graphics capabilities to enhance the visual presentation of CRS research and analysis. Our information professionals utilize digital librarianship skills, and recent hires have reflected changes made to these positions. We plan to critically assess these initiatives to determine how these positions and skill sets best fit into the organization and what other modifications to our workforce may be needed.

Product and Service Enhancements. CRS continues to seek new and innovative ways to deliver information and analysis to Congress. In fiscal 2014, CRS increased the diversity of its product line by establishing a new product type, the CRS Insight, a short, Web-only product designed to present timely information, research, data, and analysis in an easily accessible format. Along with the earlier launched Legal Sidebar, the Insight responds to client demand for succinct products that are published quickly in response to fast-moving public policy issues.

CRS is participating in a Library-wide project to develop a geospatial infrastructure that will enable the Service to offer interactive maps to Congress. The goal is to make available to Congress fully interactive maps that allow clients to view details of interest and toggle data layers to visualize the resulting differences. We have a small team of geographic information system (GIS) analysts and information professionals that provide GIS services to congressional clients. GIS uses visualization for the focused analysis of complex concepts.

CRS established an infographics working group in 2014 to consider methods to improve delivery of image-based content in our written products and on our Web site. The use of this content to convey information and analysis is widely recognized as an effective form of communication. Although image-based content (e.g., tables, graphs, maps) produced by CRS is typically embedded into written products, users of CRS products could benefit from the creation of a new product line devoted to stand-alone, high-quality "infographics," which present complex information in a condensed visual form that may be easily understood without the need for an accompanying written product. A pilot study has begun with the goal of displaying infographics products on CRS.gov this year.

CRS enhanced its Web site home page last year with a modern appearance with more space for content and for expanding product lines. The home page is also stylized to the modern user's preference for mobile access. Other new features of the website include graphic images to accompany highlighted reports and icons to help the user distinguish the different types of products. A video carousel at the foot of the home page highlights CRS videos, and a similar display on issue pages highlights CRS experts who have authored products on selected issues and who are available for consultation.

As part of the Library's multi-departmental team, CRS contributed to continuing development and daily operations of the next generation legislative information system platform and services. Congress.gov will replace two legacy legislative information systems (LIS and THOMAS) with a single, modern one. CRS provided data analysis, subject matter expertise consultation, system testing, user testing, coordination of data partner relationships, and support for congressional users and data partners. CRS also continues to support the use of the Congress-only LIS until equivalent capability is fully developed for the new Congress.gov. Since late September, 2014, Congress.gov has been the official website for U.S. Federal legislative information.

CONCLUSION

As CRS begins its second century, we remain committed to our core values and mission: providing comprehensive, authoritative, objective, timely and nonpartisan research and analysis on all legislative, oversight, and representational issues of interest to Congress.

The entire CRS staff works hard every day to ensure that you, your staffs, and committees have the information, analysis, and support you need as you do your jobs.

We are very proud of the work we do. But we know we could not have achieved all we have in our first 100 years without this subcommittee's support. I appreciate your continued support and look forward to working with you to ensure that CRS is a state-of-the-art research service responsive to the information and analytical needs of the 21st century Congress.

PREPARED STATEMENT OF MARIA A. PALLANTE, REGISTER OF COPYRIGHTS AND
DIRECTOR OF THE UNITED STATES COPYRIGHT OFFICE

Madame Chairman, Ranking Member Schatz, and members of the subcommittee:

Thank you for the opportunity to present written testimony in support of the budgetary needs of the United States Copyright Office.

As always, I am grateful to the Librarian for putting forward the request detailed below. While it does not reflect the entirety of Copyright Office needs, it is a reasonable request put forward in a difficult budget environment, and one of many that the Librarian has sought to balance. As stated in more detail in the Librarian's written request, the agency is also seeking funding for library acquisitions, storage, preservation, and staffing relating to the singularly important national collection.

The Copyright Office is a congressionally-created department within the Library of Congress and is vested with the statutory responsibility of administering the Copyright Act and other provisions of title 17, including the national copyright registration and recordation systems and several statutory licenses. Today, the Copyright Office sits at the center of a complex and dynamic legal and regulatory system. Its work is vital to all types of businesses, the Congress, courts, and the digital economy.

Copyright industries create jobs, invest in content, and bring to market important works of authorship, from films to video games to business software to books to musical works. The technology companies with whom they partner also create jobs, drive innovation, and bring to market a variety of platforms and mobile devices that have defined the digital economy. It is no surprise that copyright issues are so essential to trade agreements and the global marketplace.

In past couple of years, the House Judiciary Committee has held extensive hearings on the copyright law, including, for example, the exclusive rights of authors, enforcement issues, fair use, and voluntary agreements. The Copyright Office has supported Congress in these efforts, including by testifying, assisting with interpretation of the law, and conducting major policy studies. Last year, the Copyright Office issued a major report recommending the creation of a small claims system. This year, the Copyright Office published a comprehensive report on the music marketplace and is finalizing additional reports on orphan works and the "making available" right.

Congress is also reviewing the Copyright Office. On September 18, 2014, the House Judiciary Committee held an oversight hearing on the Copyright Office, at which I testified. On February 26, 2015, it held a hearing entitled, "The U.S. Copyright Office: Its Functions and Resources," at which external witnesses testified.¹ During these hearings, Members of Congress covered a range of questions including budgetary and resource needs, efforts to upgrade and improve Copyright Office services, and the Copyright Office's current statutory and constitutional structure within the Library. We are respectful of these proceedings and are ready to respond to inquiries or otherwise participate, as appropriate.

Since I was appointed Register in June, 2011, I have focused the Copyright Office on projects that are self-evaluative, including how to upgrade our current practices and whether to create entirely new paradigms for certain processes. This might include, for example, the ways in which we register works of authorship or record documents such as assignments, licenses, security interests, and other forms of ownership. Most would agree that the Copyright Office must be more interoperable with the technology of its customers, and must offer timelier and more innovative services, including business-to-business data exchange and applications that work on mobile devices.

As I explain further below, the Copyright Office has spent the past few years engrossed in foundational work, including rebuilding and rethinking staff positions, updating registration practices, assessing legal and business issues related to recordation, and conducting a variety of public-facing projects to engage our customers as to the future Copyright Office. We have undertaken this work to ensure that we make plans that will have a meaningful impact on our customers, and make IT and staffing investments that are both responsible and prudent. We are now at the point where we are compiling research, coordinating conclusions from reports, and engaging in cost and other business analysis. This work will proceed in accordance with available funding.

¹ Witnesses included Keith Kupferschmid (General Counsel for the Software & Information Industry Association), Lisa Dunner (Partner at Dunner Law PLLC, on behalf of the American Bar Association's Section on Intellectual Property Law), Nancy Mertzel (Partner at Schoeman Updike Kaufman & Stern LLP, on behalf of the American Intellectual Property Law Association), and Robert Brauneis (Professor at the George Washington University Law School).

This Committee—the Senate Subcommittee on Legislative Branch Appropriations—is also interested in the ability of the Copyright Office to evolve. In 2014, the Report language that accompanied the fiscal year 2015 appropriation stated:

The Committee recognizes that the digital revolution has transformed the copyright marketplace and, as a result, the role of the Copyright Office in our economy. The Committee finds that Copyright Office will also need to evolve and adapt to the challenges of these new realities. In fact, the Committee notes that public comments recently submitted by the copyright community indicate that the Copyright Office is currently in need of significant IT and related upgrades in order to be fully interoperable with the digital economy it serves.

The Report also included a directive to the Government Accountability Office (GAO) “to examine the Copyright Office’s current information technology infrastructure and identify any deficiencies or obstacles to serving the copyright community in a modernized environment.” We have responded to GAO’s questions regarding IT management during the past several months and hope the subcommittee will find this information helpful.

I would also note that on February 18, 2015, we released a report of the Technical Upgrades Special Project Team. This team was charged with assessing the concerns and suggestions of the Copyright Office’s customers during the past few years, and has made a number of recommendations regarding future services that would require sound enterprise architecture and a robust IT infrastructure. I am grateful to the Project Team for this valuable contribution, which will serve as an important resource for the Copyright Office, the Library, and the Congress. The Report, notice of public inquiry, and public comments are available at http://copyright.gov/docs/technical_upgrades/.

Thank you for your support of the Copyright Office and for considering the appropriations request put forward today.

FISCAL YEAR 2016 BUDGET REQUEST

The Copyright Office is funded through a combination of fees for services and dedicated appropriated dollars. The Copyright Office administers funds through three separate budgets or program areas: (1) Basic Budget, (2) Licensing Budget,² and (3) Copyright Royalty Judges Budget.³ Together, the requests for these total \$58.875 million for fiscal year 2016.

The focus of this statement, however, is the Basic Budget, which funds most of the Copyright Office’s core work and operations. The Basic Budget request this year is \$51.9 million. Approximately \$30 million of this is derived from fees for which the Copyright Office is seeking spending authority. The Copyright Office is also requesting \$21.9 million in appropriated dollars.

This request calls for an increase of \$2,705 million dollars and the reinstatement of 25 FTEs. Fees would fund about \$2,029 million of the total; we would use the fees to backfill 20 vacant positions in our registration program. As discussed below, the Copyright Office implemented a revised schedule of fees on May 1, 2014, following an extensive public process. Putting this money back into registration services is a fitting investment.

The remaining \$675,825 is a request for appropriated dollars; we would use this funding to add five new hires to our recordation staff.

It should be understood that some of the Copyright Office’s operational costs are offset by services provided by the Library of Congress through appropriations it receives as the parent agency. These costs are not itemized or tracked, and they are not taken into account when the Copyright Office analyzes and implements its fee schedules.

²The Licensing Budget request is \$5.388 million, all of which derives from licensing royalty and filing fee collections paid by private parties (copyright owners as well as cable and satellite licensees) pursuant to statutory licenses administered by the Copyright Office. The requested increase is for mandatory pay and price-related increases.

³The Copyright Royalty Judges report by statute to the Librarian, but the Register administers their budget as an administrative courtesy. The budget request for the Copyright Royalty Judges is \$1.584 million to support mandatory pay-related and price level increases, of which \$389,000 (for non-personnel-related expenses) derives from licensing collections. The remainder, \$1.195 million in appropriated dollars, is to cover the personnel-related expenses of the Judges and their staff.

Registration

If the subcommittee approves our request for additional spending authority, most of the 2 million dollars would go to strengthening the registration staff under the expert guidance of Robert Kasunic, Associate Register and Director of Registration Policy and Practice. In fiscal year 2014, the Copyright Office approved and registered claims in approximately 476,000 creative works, including 219,000 literary works and 65,000 sound recordings. Since fiscal year 2012, however, the Copyright Office has been experiencing an upward trend in the backlog of claims and average processing time for applications. In 2012, the average processing time for claims filed on paper applications was 4.8 months; the current processing time is 13.5 months. The average processing time for claims filed online electronically has also increased, rising from 3.1 months to 4.4 months over the same period. These increases are mostly attributable to the loss of registration staff, which has declined by approximately 50 FTEs.⁴ (In the case of electronic claims, some of the delay stems from ongoing problems with technology systems, as well.)

As we hire new registration experts, the Copyright Office must train them in the copyright law, regulations and practices, and prepare them to address a constantly changing world of content and business models. The lengthy training schedule, coupled with the fact that the backlog continues to grow, provides a sense of urgency to reverse staff losses in this critical division. It is also the case that practices are becoming more complex than before, as authors, publishers, and producers continue to change the ways in which they create and disseminate works of authorship.

In December 2014, we completed a major, multi-year special project by releasing the *Compendium of Copyright Office Practices, Third Edition*. The first major revision in two decades, the Compendium is a comprehensive guidebook regarding registration and other Copyright Office practices. It is relied upon by Copyright Office staff but also serves as a recognized authority consulted by copyright owners, legal practitioners, and the courts, which frequently give the Copyright Office deference in registration policy and related issues. This was an important and necessary accomplishment for the Copyright Office, and one that we announced publicly in our 2011–2013 work plan, entitled *Priorities and Special Projects of the U.S. Copyright Office*.

Notably, the *Compendium* is just the beginning of a digital makeover for registration. It provides the necessary legal foundation by which the Copyright Office may now pursue regulations and practices that recognize and serve the digital economy. For example, the Copyright Office will need to determine the rules and standards by which it registers: works that change routinely (like news Web sites); works that are disseminated by streaming instead of copies (like on-demand film, television, and sports programming); works that contain valuable and proprietary source code (like business software); and works that contain copy controls and other anticircumvention measures (like video games).

Recording Assignments, Security Interests, and Other Copyright Documents

Regarding the recordation provisions of the Copyright Act, the Copyright Office also needs resources. The requested increase of \$675,825 in appropriated dollars for fiscal 2016 would fund five new hires in the Recordation section. The Copyright Office has a very lean permanent staff of 13 dedicated to this function at the moment. In 2014, this staff recorded 8,146 documents pertaining to copyright interests in more than 144,376 identified works. This function remains a paper process, however, in which staff manually index the materials received.

In fiscal 2015, the Congress allocated \$1.5 million to the Copyright Office to conduct planning and business analysis related to updating the recordation function. The long-term objective is to automate the document submission and review process to include an online filing capability for customers. Significant changes are also contemplated regarding service options and the content and format of the public record. As noted below, the business analysis we are now engaged in follows 2 years of research regarding the overall technology of the Copyright Office (relevant to its customer base) as well as the relevant legal and business issues related to recording documents in the online environment. The additional FTEs we are requesting for

⁴ This number tracks losses since 2010. The Copyright Office today has 76 professionally trained examiners to handle approximately half a million copyright claims involving millions of works of authorship; we had close to 130 examiners in 2010. Assuming we can hire 12–32 examiners in 2015 and 2016, the Copyright Office will still be below capacity, particularly given the increasing complexity of addressing digital works and new practices.

Recordation represent new positions with skills that will be more appropriate to an online function.

The future of the document recordation function has been an intense focus of the Copyright Office for several years, and it too was publicly announced in the 2011–2013 *Priorities* work plan. In the past 2 years, the Copyright Office engaged stakeholders through multiple public roundtables on potential changes to the legal and administrative aspects of document recordation and published a major report. We were able to staff this work by making targeted appointments and leveraging research partners.

In 2014, with the Librarian's support, I established a dedicated Office of Public Records and Repositories. For the first time, as of March 2014, these functions are now headed by Ms. Elizabeth Scheffler, a senior level officer reporting directly to the Register. (As of January, 2015, Ms. Scheffler has been temporarily reassigned to the Librarian's Office where she is serving as the Interim CIO for the Library until a permanent CIO can be recruited.)

I also appointed the first Abraham L. Kaminstein Scholar in Residence, Professor Robert Brauneis of George Washington University. In addition to his own independent research, Professor Brauneis completed an in-depth study of the relevant legal issues related to updating the business and legal issues related to recording copyright documents. Similarly, through Jacqueline Charlesworth, the Copyright Office General Counsel, the Copyright Office engaged with Stanford University Law School in an academic partnership. Working with Professor Paul Goldstein, the Copyright Office considered recordation questions from the perspective of students in Silicon Valley. In January 2015, we released the report of the Kaminstein Scholar, entitled *Transforming Document Recordation at the U.S. Copyright Office*, which in turn references the work of the Stanford students.

Statutory Licenses

The Copyright Office administers several statutory licenses that require the Copyright Office to manage and distribute royalties, including those collected on behalf of copyright owners of broadcast television programming that is retransmitted by cable and satellite operators. The disposition of these private monies is determined by the Copyright Royalty Judges (together, the Copyright Royalty Board or "CRB") in distribution proceedings. The work of the CRB is reviewable by the Register for legal error, but for constitutional reasons the CRB reports to the Librarian as head of the agency. In fiscal year 2014, the Copyright Office collected approximately \$318 million in royalties and made disbursements in accordance with CRB's decisions.

In fiscal 2014, the Copyright Office completed a second pilot of an electronic licensing system to facilitate its administration of statutory licenses. The end goal is to launch a system that supports online filing and processing of statements of account by statutory licensees. As with all Licensing Division operations, this administrative initiative is being funded by private funds collected under the relevant licenses.

SUPPORTING THE CONGRESS AND FEDERAL AGENCIES

Copyright Policy and the Digital Economy

With respect to policy, the Copyright Office has been at the center of discussions regarding potential updates to the Copyright Act, working closely with Members of Congress and, in particular, the House Committee on the Judiciary. As mentioned above, the House Judiciary Chairman convened twenty copyright hearings in the past 2 years, with the clear mission of comprehensively reviewing the law to assess how well it is working in the digital age. As Register, I have both testified on these issues and lent the impartial expertise of my Office to assist the process. Associate Register Karyn Temple Claggett, and her policy and international affairs staff, were of particular assistance during these proceedings.

It would be an understatement to say that the copyright law is complex. Indeed, in the context of the digital economy, the entire copyright ecosystem is in a state of ongoing transformation and innovation. While challenging, this is also an exciting development for the United States, which has long championed a strong but balanced intellectual property framework to the benefit of both the content and technology industries.

In addition to its service to the Congress, the Copyright Office supports the work of the U.S. Trade Representative, the U.S. Department of Justice, the U.S. Department of State, and the U.S. Department of Commerce. This work involves major trade agreements, treaty negotiations, Supreme Court briefs, and other interagency and intergovernmental matters. The Copyright Office has relationships with copy-

right and other intellectual property offices around the world, and is frequently involved in intergovernmental and bilateral meetings, as well.

Policy Reports of the Copyright Office

In February 2015, the Copyright Office published an in-depth study and legislative recommendations entitled *Copyright and the Music Marketplace*. This report, which analyzes the statutory framework and business environment of the music industry, is indicative of the Copyright Office's policy role. The report has been recognized by Members of Congress, songwriters and composers, music publishers, performing rights organizations, record labels, and digital delivery services. The expertise comes from the Copyright Office's daily role in administering the Copyright Act, and the legal and cultural significance of issues such as these is an important factor we use to recruit talented lawyers. Nonetheless, the lack of resources, including insufficient staff and travel budgets, makes for a challenging environment for even the most dedicated of public servants.

In addition to the music study mentioned above, the Copyright Office is currently preparing to issue reports on orphan works and mass digitization issues, as well as the application of authors' "making available" rights in the online environment under U.S. law. Beyond studies, the Copyright Office works closely with congressional offices every day to provide assistance on complex issues.

Through its work with the Intellectual Property Enforcement Coordinator, the Copyright Office is also nearing completion of an online index of fair use cases to serve as a resource for authors and others.

CHALLENGES OF THE CURRENT FISCAL ENVIRONMENT

The Copyright Office carries out a significant workload for the benefit of the Nation. It is doing so, however, with reduced staffing and technology deficiencies. These challenges are part of broader discussions throughout the Library, but I will note them here briefly.

Staffing and Appointments

The Copyright Office's total staff is smaller than it should be to perform its complex and important statutory assignments. We currently have approximately 360 filled positions under the Copyright Basic Budget, a number that will improve somewhat if fees remain steady and we can make the 25 requested hires in Registration and Recordation in fiscal 2016. Internally, staff reductions are felt as a workload distribution increase on already over-burdened employees. And over time the Copyright Office will be at a disadvantage if it cannot attract and retain experts, particularly in the legal and technology fields.

To compound the stress, our authorized FTE ceiling will be reduced to 411 (for the Copyright Basic Budget including the 25 FTEs mentioned above) following recent congressional direction to the Library to reconcile and eliminate unfunded positions. This is a considerable reduction at a time when the Copyright Office needs staff and would in fact hire them if it had funding. In 2005, by comparison, the FTE ceiling was 492 (again, for the Copyright Basic Budget).

On a positive note, the Copyright Office completed the first phase of reorganizing its departments and resources in 2014 and has begun filling senior-level positions as a foundational step toward a fully modernized Copyright Office. Among other things, with the Librarian's support, I established the first Copyright Office Chief Information Officer (CIO). Doug Ament was appointed to the position in March 2014, after serving several years of heading the Copyright Office's small technology office. As CIO, Mr. Ament advises the Register on strategic IT issues and engages regularly with our customers, as well as technology experts in the government and private sector. He, in turn, appointed a new Director of the Copyright Technology Office, who reported for duty this January, and is responsible for managing day-to-day activities of the Copyright Office's IT team and overseeing compliance issues with Federal law, regulations, information technology standards, and best practices.

Although these are positive first steps, the reality is that Copyright Office has a very small technology office that as of this writing has approximately 23 FTEs. This office has always functioned as a liaison office to the parent agency, which manages the agency IT resources and has more than 200 IT staff. I believe that engaging in the kind of IT development activities the Copyright Office needs to achieve in the coming years—including building the next generation online registration system, achieving interoperability with private databases, accommodating mobile technologies, and more—will require the agency to reassess this management paradigm.

The Copyright Office also has a new Office of Public Records and Repositories, headed by an experienced senior-level official who reports directly to the Register. Similarly, I appointed William Roberts, an experienced copyright lawyer and long-

time public servant, as the first Associate Register and Director Public Information and Education. As with other positions mentioned here, this position carries out significant responsibilities, including managing the substantive content and protocols of www.copyright.gov, the portal through which customers access legal materials, participate in rulemakings, register claims to copyright, and record licenses and other copyright documents.

Government Accountability Office

The agency's IT systems and infrastructure are of paramount concern for the Copyright Office, and it has been working with the Library, the public, and the Government Accountability Office ("GAO") to assess IT-related issues in the past year. Last year, the House Appropriations Committee directed the GAO to conduct a Library-wide audit of IT management and governance. Copyright Office staff provided information for the audit and were interviewed by the auditors.

Moreover, this subcommittee directed the GAO to review the technology issues relating specifically to the Copyright Office. GAO was instructed to identify "any deficiencies or obstacles to serving the copyright community in a modernized environment." The subcommittee also directed the GAO to "provide a legal and technical evaluation of the information technology infrastructure that the Copyright Office shares with the Library of Congress." These directives followed from the subcommittee's recognition that "the digital revolution has transformed the copyright marketplace and, as a result, the role of the Copyright Office in our economy." The subcommittee report also cited comments and concerns submitted by a variety of actors throughout the copyright community indicating that the Copyright Office needs significant IT upgrades to become fully interoperable with the digital economy that it serves.

Copyright Office staff has been responsive to GAO's team, which included some of the same auditors assigned to the Library audit. We appreciate the work of the auditors and look forward to their findings. Having completed several years of core foundational research, the Copyright Office remains extremely concerned about recommending major IT investments while continuing to utilize the singular enterprise architecture and IT infrastructure of the Library, which is under considerable strain. Service from the Library has been inconsistent at best, as the Library's IT staff manages multiple projects and systems from across the agency. Indeed, although the Library has more than two hundred IT staff, none are devoted exclusively to the Copyright Office. It is difficult to see how this kind of paradigm is sustainable. In short, the Library is faced with multiple missions and an array of equally important but competing concerns, in some ways adding up to an impossible job.

Technical Upgrades Special Project

During the past few years, the Director of the Copyright Technology Office, who has served as the Copyright Office's first CIO since last February, chaired a special project designed to assess the areas in which the Copyright Office needs to modernize, which included soliciting the talent and expertise of the Copyright Office's customers and stakeholders. In February 2015, the project team delivered its findings and recommendations to me, and I have in turn released them to the public. This document, *Report and Recommendations of the Technical Upgrade Special Project Team*, will be a very helpful resource as we consider future strategies for the Copyright Office. The report acknowledges challenges with the current user experience and with access to the public record, while offering recommendations for improvement, such as developing a more dedicated IT infrastructure to support the registration and recordation functions, and deploying Application Programming Interfaces ("APIs") to provide for data exchange with the rich data of private copyright databases. The Report is available on the Copyright Office Web site.

STATUTORY AUTHORITY TO SET FEES

The Copyright Office appreciates the subcommittee's dedicated appropriation in fiscal 2015 of \$2.25 million, with \$750,000 to fund backlog reduction in registration and \$1.5 million for year one planning and analysis for the reengineering the document recordation process.

More globally, as Register I have concluded that we should reconsider the funding process for the Copyright Office as it relates to fees. For business planning, including expenditures for IT and related issues involving multi-year contracts, the Copyright Office is constrained by the inability to spend across multi-year budget cycles. In addition, the Copyright Office would benefit from more flexibility in both its retention and spending of fee revenues, particularly in relation to longer-term capital

improvements. This would require a review of the statutory provisions for fees in Chapter 7 of the Copyright Act.

I would like to thank the subcommittee members for your support of the Copyright Office and national copyright system. Our fiscal 2016 budget request, if approved, would address some immediate, high-priority needs, primarily through the authority to hire staff and use fee revenues received for services rendered.

Senator CAPITO. Thank you so much.

I'm going to begin with a question about—and this will go to the posters, I believe, and thank you for visiting my office and helping me understand some of the challenges.

In your budget request, you've asked for \$4.8 million and nine new FTEs for the National Collection Stewardship Program to provide additional collections space. I understand this is an interim solution that consists of some additional compact shelving within the Library's existing buildings and the lease of additional storage space.

Would you please explain why this is necessary and if and how the work would be phased out?

NATIONAL COLLECTION STEWARDSHIP PROGRAM

Dr. BILLINGTON. Well, I would just say that the Library adds approximately 2.5 million items to the collections each year, and of the 2.5 million analog items, 250,000 volumes are books which make up the largest component of our immediate space requirements.

I'd like to turn to Mark Sweeney, who can provide you with more specific details on the emergency collection storage needs of the Library and answer your questions more fully.

Mr. Sweeney.

Mr. SWEENEY. Collection storage is a critical need for the Library right now. As Dr. Billington said, we are growing at about 250,000 volumes per year. We have more than a million items that are stored on the floor or on book trucks in our Capitol Hill buildings. We have about a million volumes stored at our Landover Annex Complex that is in a less-than-desirable environment, and we're about 10 years behind in building Fort Meade preservation modules for the growth of our collection.

So our plan right now is to be able to occupy Ft. Meade Module 5 when it becomes available in late 2017. At the same time, we are looking at space in our existing buildings here on Capitol Hill. This is primarily the Madison Building, where we can get greater collection density by installing compact shelving. We're limited in how much of that we can do, but it's based on the physical limitations of the building, what collection weight the building can handle.

In addition to that, we're requesting an interim lease facility. This would be a 5-year lease with additional 5-year options.

Senator CAPITO. Where is that lease? If I could just interrupt you quickly, where is that facility?

Mr. SWEENEY. At this time we're working with the Architect of the Capitol to identify a facility that can meet the requirements that we've already provided them.

Senator CAPITO. Okay.

Mr. SWEENEY. The two posters that we have to the left over here, the first one, the one closest to me demonstrates the books that are on the floor, as well as book trucks. This arrangement inhibits our

ability to retrieve material. It also puts the books at risk in terms of damage. And then the lower image, number 3, demonstrates a location in which we have a structural deficiency in one of our storage buildings.

The poster to the left of that is our solutions. The first is a photograph of our high-density preservation storage facility at Fort Meade, a wonderful storage environment, that can not only hold an awful lot of material but also can increase the longevity of those collections; as well as image number 2, which is an example of using existing space and getting more density by shelving material by size. The third is an example of compact storage solutions that were installed in our Adams Building, which give us about a 40 percent increase in capacity in that space.

Senator CAPITO. Well, following up on that, if you're collecting more than you've ever collected before, and part of your budget speaks to the digitization of certain items and certain other things in terms of the demands on your budget, what kind of prioritization is the Library doing in terms of reconfiguring what your collection priorities might be in terms of trying to balance the burgeoning collection that you're doing here, the digital you're doing here, and maybe meshing that with some sort of efficiencies?

DIGITAL COLLECTION CENTER

Dr. BILLINGTON. Between the additional small elements, relatively, that we're adding to the digital collection center, and the priorities involved that Mr. Sweeney was able to speak to—adjudicating between digital and a hard-copy or analog version—qualitative judgments are made on the basis of what is the substance. There are qualitative judgments made throughout the process of collection building. But I think Mark can speak to that in more detail.

Mr. SWEENEY. Well, I would say that we live in an interesting time in which there is just an explosion of creativity. So we're living in a "both" world, both having to collect analog at scale, as well as emerging digital collections. To date, our digital conversion program has primarily been about access. That's taking an analog item already in our collection, putting it in digital form, and making it accessible on the Web. That doesn't mean that we no longer need the analog copy or that it shouldn't be part of our collection. We have taken some steps to reduce holdings. We are reducing our dependence on second copies of works in our collection so that we can get some efficiency there.

Senator CAPITO. Right.

Mr. SWEENEY. However, this is not going to accommodate the volume of work that we anticipate will be available on the market that will be needed for Congress and the American people.

Senator CAPITO. Let me ask you this. You mentioned in your opening statement that your FTEs are way down, yet in the budget you're asking for 15 more full-time equivalent positions for a new digital collections center. Help me understand how some people—their positions aren't being filled is probably how you're doing that, I would imagine, through attrition and other ways. Is that how you got down to that number, and are you ramping up for different skill sets, and are you cross-training folks so that when the digital

collection center is inventoried they can move into different parts of the Library?

Dr. BILLINGTON. I think that maybe Mr. Sweeney and possibly the Deputy would want to add a few words on that.

Mr. SWEENEY. Of course, our level of staffing down is primarily through attrition. There is a different skill set that's required to work with digital content, and the staff that we have available, the diminished number of staff, are primarily preoccupied with dealing with the analog collections, which have also grown.

So the DC2, the digital collection center, is an opportunity for us to meet an emerging demand that we have, and this is not about converting analog items into digital form. It's primarily about dealing with digital content that's newly being received by the Library, where there is no analog equivalent.

Senator CAPITO. Okay. I wanted to compliment you on the Books for the Blind and Physically Handicapped. We talked about this when you were in my office, and you mentioned that West Virginians have chosen to access this as a service, and I think that it has been a great service for those folks. So I want to say thank you on that, and I was wondering, with the budget request there, is there enough there to cover these needs? Obviously, it's the only free access library in the country, is the way I understand it, for the blind and physically handicapped. If you could just give me hope for the future on that and where you see that going.

FUNDING FOR BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

Dr. BILLINGTON. Well, since 1931 the National Library Service has been addressing the needs of this important constituency. I think Karen Keninger, our excellent head of the National Library Service, can provide you with the details and answers to your questions. I know that there are five major distribution centers in West Virginia, but she'll give you more of the details.

Ms. KENINGER. Thank you, Senator. The budget that we have requested will be sufficient for the upcoming year. We are very fortunate in that regard at this point in time. So we are okay there.

Senator CAPITO. Finding more people, becoming aware of the services, is your reach broadening?

Ms. KENINGER. We are actually in the process of launching a public education and information program that will, we believe, expand our reach and increase our service. We have a lot of things to offer people, and it's always been a challenge to let people know that we're there at the time that they are ready to take advantage of it. We share that responsibility with our partners in all of the States, and they do what they can. We're going to be doing a national program, as well as helping the states with some local and regional advertising and outreach as well. So we're hoping that we'll be able to expand our reach significantly in the next couple of years.

Senator CAPITO. Thank you, thank you.

Another question I had, you mentioned in your opening statement that you had a world reach, you're the world's resource, and we've been reading news reports of ISIS members destroying artifacts of ancient civilizations.

I'm curious to know if the Library's overseas offices have been successful in salvaging any art relics or artifacts that may have been or may yet be targeted for destruction, and how has the Library's overseas operation been impacted, if at all, by any kind of ongoing terrorist activities in the Middle East? Because you have several offices in the Middle East.

IMPACT OF TERRORISM ON OVERSEAS OPERATIONS

Dr. BILLINGTON. Yes, we do. Of course, three-dimensional objects, the kinds of things that are in museums, are not part of the Library's collection policy. But the sort of paper-based things, archival things, books, maps, the things which record the knowledge and essential information about many of these countries, have been very much on our mind.

We've played a role. We don't have a foreign aid budget, but we have expertise in dealing with fires and damage, which the State Department will fund trips for. We provide the expertise, which we have done in the case of the Iraq National Library to a very substantial degree.

The damage that has been done in Egypt, where we have a Cairo office, and damage or real destruction of the historic laws of Afghanistan, where we have duplicate copies of some of this material and can restore some of the historical memory of Afghanistan in our Pakistani office, are examples of the kinds of damage, associated with fire or water, where restoration assistance has been provided working through our overseas bases. We had to move our Cairo office, which collects generally in the Arab world, when there was chaos there. The Cairo office was directed from Washington for a while.

The overseas offices are directed by American employees, but there are multiple foreign service nationals who work on building the collections. In certain areas like Yemen most recently and in large parts of Syria, options have been limited. We still get some things from Damascus, but not much from Aleppo, for example.

Our six overseas offices are mostly in danger spots. The one in Nairobi gave us additional background, for instance, on our first African American President. We also collect in these overseas offices for other research libraries in America that conduct research in these languages, who pay for the materials they receive.

So the overseas offices are an enormous asset for America, a very important service that we're able to provide.

Mark may want to add something to that since that's part of his immense domain as keeper of the National Collection. But it is also an international collection of great importance, and Mark may want to add a word.

Mr. SWEENEY. I would just say on the impact of terrorism on our operations, first we've had to contribute to capital cost sharing for improved security in embassies, because that's primarily where we operate out of. So that's had a budget impact on us. In Cairo and Islamabad, both of our directors have had to be out of country for periods of time because of security issues. We've also had the offices closed for periods of time so that the national staff weren't available to be able to work there.

So it's a difficult situation, but we continue to work with our staff there, as well as with agents that we have in some of the problem countries in order to be able to acquire material. Sometimes they'll hold material for a period of time for us until it can be safely sent to Washington.

Senator CAPITO. Okay. Well, I think that's an aspect of the Library of Congress that not many Americans really know about, and I wanted to highlight that because it's an interesting service. I think if we're going to learn the lessons of the past, we have to preserve the documentation and news and everything else that revolves around that.

My last question will be around the Congressional Research Service, which every member of the House or Senate, has used. It is a vital resource to us as a non-partisan, very objective view of a variety of issues, obscure and not-so-obscure.

HEALTHCARE EXPERTISE IN CRS

But the budget request is asking for six full-time equivalent positions for the expertise of healthcare. I understand the need for six more people for the expertise in healthcare with all of the various things that are moving around with the ACA and Medicare and Medicaid. It's very complicated and it needs to be examined as closely as possible.

But I would ask, are there other areas where less expertise is needed where you can shift people? Or do you feel that healthcare is the premier need right now? Does that mean in 10 years it will be something else? Do you have any feel for that on the CRS?

Dr. BILLINGTON. Dr. Mary Mazanec, who is actually a medical doctor as well as a qualified lawyer, is the best person—

Senator CAPITO. She must like school.

Dr. BILLINGTON. I would just make this one quick comment, and that is that you need real expertise. I think they only have one expert working mainly in this field. She can specify exactly. But you can't spread them too thin or you don't have the kind of highly specialized expertise that for 100 years now the Congressional Research Service (CRS) within the Library has been providing to Congress. So I think this is the minimal request, and it's not solely, but it's mainly for healthcare.

Dr. Mazanec can explain.

Dr. MAZANEC. Thank you. I would echo what Dr. Billington said. In the last 5 years, and that's about my tenure at CRS, our staffing numbers have come down, and we have looked at portfolios as people have retired and left CRS. We have reassigned issue areas. We're spread very thin, especially in the healthcare area. It's received the highest volume of requests across the Service. It receives about 10 percent of our targeted inquiries.

On top of that, the capacity that we're seeking in these six FTEs really is not adequately represented in the current staffing. It requires academic study and professional experience that we don't sufficiently have; for example, a health tax policy expert, or an expert on the private insurance sector, the industry.

As you stated, Chairman, the healthcare sector is becoming increasingly complex as it evolves. There is increased regulation. So I also think there are emerging issues every day in Medicare and

Medicaid. I don't think that healthcare is going to become a quiescent issue area in the near term, or in the longer term, especially as the population ages and their health needs increase. Healthcare expenditures also represent a significant percentage of our national economy, and I am told by my experts, my health experts, that 40 percent-plus of Americans currently receive health benefits at least in part from various Federal programs.

So I really do think that we need to build additional capacity in this area.

Senator CAPITO. I said that was my last question, but this will be a short one.

We've had testimony from the GAO and others that they're having difficulty finding the level of expertise they need mostly in the economics field. Do you share that same difficulty finding expertise, or do you rely mostly on, once folks get in the door, training them on how to research, et cetera?

Dr. MAZANEC. We do both, but there is a certain expertise that has to come in through the door, and I would agree with both Doug Elmendorf and Gene Dodaro that healthcare economists are very marketable. They're difficult to recruit because there is such demand today, and even more difficult to retain.

Senator CAPITO. Right. Thank you.

Senator Schatz.

STATEMENT OF SENATOR BRIAN SCHATZ

Senator SCHATZ. Thank you, Chair Capito.

I think it's important in the digital age to remember that books matter, libraries matter. I subscribe to the "both/and" approach. I support the Library's effort to incorporate digital material into its collections and make materials available online whenever possible, but I also support the Library in continuing to collect physical materials.

It's important to recognize that search engines are not curated by experts. Libraries have not and cannot be replaced by the Internet.

Funding for the Library of Congress, which we review today, supports the subject-matter experts and library scientists who curate and preserve American creativity and scholarship. It's this world-class knowledge and care that makes the Library of Congress the premiere repository of our Nation's historic works and original knowledge, and the largest, broadest-reaching library in the world. It's our responsibility to show this to our children. Libraries aren't dusty museums that the Internet left behind. They are living, breathing, and growing institutions that deserve our investment. This makes our job of ensuring that the Library has the resources it needs to curate, preserve, and store its collections especially important.

BUILDING THE DIGITAL COLLECTION

My first question for the Library of Congress has to do with digital collections. Due to the rapid growth of digital technology and content, the rate of the Library's digital acquisitions now rivals that of its analog collections. You may not characterize it as analog.

I'm interested to learn how the Library plans to build and improve upon its digital capacities to best fulfill its historic mission.

So, what is your long-term vision on building the digital collection, and how is that reflected in the budget request?

Dr. BILLINGTON. Well, I think I should perhaps turn that over to Liz Scheffler, our new interim chief information officer. She's been working to deal both with the infrastructure question, the status, and the outline of our future path and strategy in this area. But perhaps we should also call on Mark Sweeney, because the integration of the digital, the choice of prioritization of whether you take a digital or an analog object when both is available depends on the substance, because we're interested in the best substance.

But I would just say, before I turn it over to my colleagues on this very important question, I appreciate your general statement as well as your focus on this, because integrating the digital with the analog so that we can answer the questions the Congress asks and the Nation requires a qualitative selection process for its national collection. So nothing could be more important.

I'll begin with Liz Scheffler, who has a great deal of experience in this and is our interim chief information officer, and then I'll call on Mark Sweeney who will answer the other questions that she may not cover.

Liz, go ahead.

Ms. SCHEFFLER. Thank you, Dr. Billington, and thank you so much for the question.

My focus is primarily on the ability to accept what the Library decides it wants to collect on the digital side, and working alongside Library Services, the Law Library, and also Copyright, on how it will be stored and preserved for the future. My primary focus right now as part of the overall Library IT strategic planning that I'm leading is planning for the long-term storage needs on the technology side which, looking at the rapid growth we've had—and I should say it like this: last year it was triple what we had expected, and we do not expect that to end, as far as the growth levels grow, of receiving the digital materials.

So we're looking forward to working alongside Mark Sweeney and the others as we plan what will be the needs.

I'm going to turn it over to Mark because Mark is really the expert.

Senator SCHATZ. Well, can I just ask a question? There are several questions. One of them is how, operationally, you're going to do this. Another is who makes the judgments and what judgments are to be made about either what comes in digitally and then gets archived or comes in in analog form and then gets digitized? But then the other question is, to what extent is this all reflected in the budget request? So, could you speak to those questions?

Ms. SCHEFFLER. Okay. Let me go first and say we look to the Library side, basically those who are in charge of the curatorial aspects, to be providing to the technology side what will be their needs and what they will be collecting and what will be digitized, and that we work as a partnership.

Senator SCHATZ. But does the expertise, is it the same set of knowledge and expertise and all the rest of it on the Library side, so to speak, or is there a growing field of specialized expertise in

the curating of digital materials? Because it seems to me that may not be the same expertise.

Ms. SCHEFFLER. There is a different expertise, and I'm going to rely on Mark Sweeney, who leads Library Service, to discuss what that program will look like.

But what we do on the technology side is we work alongside them as they determine what they want to bring in, what will be digitally collected, which is born digital, will be digitized, and then how we'll be storing it, whether it will be in long-term storage, how things will be presented to the public.

Senator SCHATZ. So, in the interest of time, I'd actually like to maybe put these questions in the record—

Ms. SCHEFFLER. That would be fine.

Senator SCHATZ [continuing]. And have you get back to me on the details. But here's sort of a more basic question.

How far along, how mature are your processes and procedures? How mature are you in your hiring? I mean, are you all set and now you have to fund it and execute, or are you sort of boarding a moving train at this point?

STAFFING THE DIGITAL COLLECTION

Ms. SCHEFFLER. I would never say we're boarding a moving train. However, I would say that there is an upside to maturity and that we have been doing this for a number of years. We've learned a lot from what we have done. We know what we have to do to proceed to the future.

Senator SCHATZ. Okay, thank you.

Dr. BILLINGTON. Mark may be able to provide an answer on this.

Senator SCHATZ. Sure, go ahead, and then we'll move on to the next question.

Dr. BILLINGTON. Thank you.

Mr. SWEENEY. I think the heart of your question speaks to why we proposed the Digital Collection Center and the number of staff for that. We do have some experience with acquiring already born digital content, but we know that we have to scale that, and the expertise that is needed is both curatorial, identifying what is of value in digital and bring it in, but also requires skills that are unique to managing that content both from the moment it arrives at our institution, adding metadata to it, having preservation plans for it, and eventually making it accessible. So it's really the whole life-cycle of it.

Senator SCHATZ. Thank you.

COPYRIGHT OFFICE WITHIN THE LIBRARY OF CONGRESS

Dr. Billington, I have a question for you about the Copyright Office within the Library of Congress. This was based on the Library's need to build its collection by acquiring one copy for each registered work. So it made sense at the time for the two entities, the Copyright Office and the Library of Congress, to operate under one roof.

My view is that the reality has changed, and now the Copyright Office has a staff of more than 400 who are responsible for processing nearly half-a-million copyright registrations each year,

maintaining the national copyright recordation system, and administering all of our copyright laws.

The work of the Copyright Office is vital to the Congress, the judicial system, copyright-related industries, international trade and the global marketplace. I'm worried that the Copyright Office may be out-growing its home within the Library of Congress and that it may no longer be the right fit. As we deliberate—and this isn't a decision that we would undertake precipitously, but I wanted to put this question on the table because I think that we need to re-evaluate whether this fit which had a specific rationale a long time ago makes sense anymore.

Dr. BILLINGTON. Well, as I said in my introductory statement, there are many questions about how copyright will function in the future. I think it's extremely important to remember that before 1870–1871, when the Congress decided to put Copyright inside, to function within the Library of Congress, that nothing copyrighted was preserved at all. So the question of determining what is important to have as permanently preserved and ultimately part of the national memory and the national collection was a basic reason for bringing it into the Library in the first place.

Now, of course, things have changed. The problems have multiplied. We've requested 25 new FTEs, exactly what the Register requested for this year to address operational requirements.

I think the most important thing to consider in the future, in how you modernize the Copyright Office from the point of view of the national collection, is that the record of the private-sector intellectual and cultural creativity, innovation and creativity has to be preserved for the future.

Senator SCHATZ. Well, I agree.

Dr. BILLINGTON. Prior to 1870, deposits were kept for the purpose of enforcing the copyright laws; the preservation of these records was not a consideration. So this is an important Library consideration that is very central because it's one of the two things that we are unique custodians of for the rapidly changing future: the world's knowledge and America's intellectual and cultural copyright activity, which would not be priorities of the Patent Office or other places that might be considered an appropriate location.

I'll let the Register speak to this issue, Maria Pallante, our Register of Copyrights.

RESOURCES AND ORGANIZATIONAL LOCATION OF COPYRIGHT

Ms. PALLANTE. I appreciate the question very much, Ranking Member Schatz. I think, as Dr. Billington said, there have been a lot of long-term synergies between the Copyright Office and the Library. But as you stated, ultimately today they need to focus on acquisition preservation and making use of scholarly materials. For a variety of reasons, we need to focus on serving e-commerce, and we administer a Federal law that protects intellectual property rights.

The reason that I think the tensions are becoming more apparent, or the challenges, to use a better word, is because of resources. So before, for example, I can ask you for capital funds to bring recordation online. Because it's still paper, I think the question is how do we make that investment. Do we do it in the current Library

infrastructure for IT, or do we begin to make investments in a more strategic, targeted way? And that's without getting into some of the constitutional issues and other things that are pending before the Judiciary about the relationship. But there certainly are still some synergies.

COPYRIGHT—LIBRARY OF CONGRESS SYNERGIES

Senator SCHATZ. Can you give me an example of some of the synergies? I'm wondering if there are economies of scale operationally? Because it doesn't seem to me that you're actually operating together.

Ms. PALLANTE. I think there were, but we're subordinate to the Library in terms of the organization.

Senator SCHATZ. So what are the synergies?

Ms. PALLANTE. The synergies are that to the extent we continue to request materials for the purpose of examining them for legal protection and preserving them for litigation, it's certainly possible that the Library could continue to be the repository for those materials.

What we're finding, though, is that that has to be done according to a very careful regulatory scheme that can't simply just be made available to the public as though they're part of the Library's regular collection because people have given them to us because they want to protect their rights, not re-publish the work. Those are not things that I think we can't solve.

The bigger question, though, is if we're going to re-think registration, period, do we need those kinds of preservation-quality deposits. That has to be aired publicly and carefully and can't just be an agency decision.

Senator SCHATZ. Thank you, and thanks, Chair Capito, for your indulgence. I'm done with the Library of Congress.

Senator CAPITO. Senator Murphy.

Senator MURPHY. Thank you, Madam Chair. Just one question for Dr. Billington.

CAIRO, EGYPT OVERSEAS OFFICE

Some years ago, on a trip to the Middle East, I had the opportunity to visit a Library of Congress facility in Cairo and was really blown away by the scope and the reach of a very small staff there. And it strikes me now more than ever that those efforts to collect information—pamphlets, propaganda, whatever it may be—that aren't published traditionally are more important to the United States now than ever.

I, frankly, have not followed the progress of that work being done in and around the Middle East region, but I just would love to know whether the budget cuts that you've sustained over the course of years have affected that operation and what the plans and prospects are for that international effort, especially in that very volatile region, to collect information and publications that are not coming to you through other means, what the future of that looks like.

Dr. BILLINGTON. Well, we've had to pay more to maintain these offices. They're more expensive. We've had to pay rent and different carrying costs to the State Department and others. It is extremely

important that we maintain our overseas operations because they are the only means of acquiring and preserving a multitude of unique collection materials. If we're not going to be the repository, in effect, for the mandatory receipt of copyrighted materials for permanent retention as part of the national memory of American creativity, we will be in trouble. But we'll also be in trouble if we don't continue these overseas collections for the knowledge of the world.

For instance, our Cairo office does remarkable things. All of these overseas offices travel widely. They have enormous knowledge of foreign languages, which is extremely important because more and more places are popping up with material that nobody else could decipher. We have somebody in our Cairo office, for instance, who speaks all three languages of the Kurds. Most people don't know that there's even one language of the Kurds. These are not dialects. These are separate languages. We have preserved the entire Coptic liturgical music, the oldest that relates to Christian history. The Copts are an important part of the Egyptian population. That's never been preserved before. It's now the official language of the Coptic Church.

There is so much information that is in danger of not surviving, of not being part of the national memory. We're a part of the national memory and we're part of the world's knowledge. There's nothing equal to it. If we were to lose copyrighted knowledge or be dependent on some future arrangement that may not happen, you go back to the situation before 1870 when none of the copyrighted record was preserved.

If our overseas offices don't function, we'll cease to be a place on the world's frontiers for preserving things that may be destroyed by extremists or terrorists or just fires that are never put out or water damage that's never repaired, which we are the best in the world at.

SUSTAINING THE OLDEST FEDERAL CULTURAL INSTITUTION

This is a unique, one-of-a-kind American institution that the Congress has created and sustained. It's the oldest Federal cultural institution, and it is I think capable of being one of the most innovative if its collections and staff are not diminished.

We have a tremendous new leadership team. We've had a year-long futures process that I have personally conducted with staff below this level. So from bottom-up and top-down, we offer you not something that we've created but something that Congress originated, created. But once it starts declining, once you miss 1 year, you double the problem in the following year, and the decline will be irreversible.

I think we ought to hear a word from Robert Newlen who is my chief of staff, in conclusion so it's not just the old professor going on for 15 minutes.

So, Robert Newlen and David Mao can just wrap things up very quickly for you and supplement my passion with a little more youthful vigor and energy.

Mr. NEWLEN. Mr. Murphy, just to follow up on Dr. Billington's question about budget impact on our foreign office, one area of concern is the annual assessment that we have from the State Depart-

ment for security for our facilities, many of which are located in American embassies. It's a very complex formula to determine our assessment. But this year I believe it ran in the neighborhood of over \$2.5 million, and we anticipate that it will continue to grow in the future.

But thank you for your comments about those offices. They are absolutely critical to our future acquisition policy. We are able to accumulate materials that we routinely use to service the Congress, so we continue to value them very much.

Senator MURPHY. I would just make a final note which I think, Dr. Billington, you're very right to note the fact that in many of these places you have regimes or entities, non-state actors, who are controlling large portions of territory that are in the business of destroying the historical record, destroying the cultural record. And when these communities and societies try to rebuild, if that record isn't preserved, and we are the only ones that have the resources to preserve it, it makes reconciliation much more difficult. So I appreciate the work of your overseas offices and I appreciate your comments. Thank you.

Senator CAPITO. Thank you. I think this concludes our first panel of this hearing and I want to thank Dr. Billington, Mr. Mao, Mr. Newlen, and all the others who came forward to give their expertise on the Library of Congress, for your time today.

The hearing record will remain open for seven days so that senators may submit any statements and/or questions for the record to the subcommittee by close of business Tuesday, March 24, 2015.

I would now like to ask Stephen Ayers, the Architect of the Capitol, to take a seat at the witness table for the second panel of the day.

Thank you all.

Are you ready, Mr. Ayers?

I'd like to welcome the Honorable Stephen T. Ayers, the Architect of the Capitol, and the talented and dedicated members of his senior staff: Christine Merdon, who is the Chief Operating Officer; Tom Carroll, Chief Financial Officer; and Mamie Bittner, who has just joined the Architect's team this past December as the new Director of Communications and Congressional Relations.

I understand that there are several superintendents of daily operations and maintenance of many of the buildings within the jurisdiction, that many of them are here today. So I want to thank you for your dedication and public service. I admire it every day. I feel honored and privileged to be working here in what is, I always say, the largest symbol of our freedom, the United States Capitol and associated buildings. It's a magnificent place, and we want to keep it that way, as you do too.

So briefly, the budget is an increase of \$61.5, or about 10 percent, and I realize that there is a deferred maintenance backlog of about \$1.4 billion, and you've had some very tough decisions that you've had to make. But it is an increase of 10 percent, and if you heard me with Dr. Billington, I basically posited that it's highly probable that we'll be faced with a flat budget for 2016 and be unable to make some tough decisions ahead of us.

I noticed the theme of exterior envelope repair needs in this building or your request, including significant roof and stone dete-

rioration on several buildings. I thank you for the tour so we could see up close and personal, particularly in the Russell Building, Hart, and the Capitol itself.

One of the questions I'm going to be asking later is how do we prevent that from accumulating to such great degrees in the future? Do we need more maintenance, more cleaning, different materials? We can get into that later.

So now, for an opening statement, I'd like to turn to my ranking member, Senator Schatz, for any opening comments he may make.

Senator SCHATZ. Thank you, Chair Capito. I'm ready to hear from Mr. Ayers.

Senator CAPITO. Mr. Ayers, I'd like to ask you to give a brief opening statement of approximately 5 minutes. The written testimony you submitted will be printed in full as part of the hearing record.

ARCHITECT OF THE CAPITOL

STATEMENT OF HON. STEPHEN T. AYERS, ARCHITECT OF THE CAPITOL

ACCOMPANIED BY:

CHRISTINE MERDON, CHIEF OPERATING OFFICER

TOM CARROLL, CHIEF FINANCIAL OFFICER

MAMIE BITTNER, DIRECTOR OF COMMUNICATIONS AND CONGRESSIONAL RELATIONS

Mr. AYERS. Thank you and good afternoon, Chairman Capito, Senator Schatz and members of the subcommittee. I'm delighted to be with you today, and thank you for the opportunity to testify.

I'm pleased to present the Architect of the Capitol's (AOC) fiscal year 2016 budget. Our incredibly talented team of professionals has worked diligently to prioritize the challenges we face as our magnificent Capitol campus continues to age.

Thanks to the outstanding support from you, we're hard at work at delivering our common mission of stewardship for the buildings and grounds of Capitol Hill. The start of the Dome Restoration Project in the fall of 2014 is a prime example of how we have worked together to reinvest the necessary resources on a project that will protect America's inspiring Capitol. I'm pleased to report today that we're nearly halfway through the exterior Dome restoration work. We currently anticipate completion of the exterior restoration this time next year.

However, beyond the Capitol Dome, enormous challenges remain. From falling stone to aging infrastructure, coupled with safety and operational issues, the problems of Capitol Hill are continuing to get worse over time. This year's budget request addresses several critical projects across the Capitol campus, and I would like to highlight a few of them now for you.

First, we continue to address the systemic problem of stone deterioration across the campus. To this end, we are seeking support for the third phase of the five-phase Russell Senate Office Building Exterior Envelope Repair and Restoration project. This will make repairs to the west facade of the 105-year-old office building. Rehabilitating the Russell Building exterior will significantly reduce the risk of falling stone and will result in increased energy savings with the maintenance of the doors and windows.

Another project that I think is critical to our success is the next phase of the West Refrigeration Plant Chiller System Replacement at the Capitol Power Plant. This project will replace two old, inefficient chillers and chilled water pumps that date back to the 1970s, with a new chiller and other essential equipment.

The Capitol Power Plant plays an essential role in the Architect of the Capitol's (AOC) long-term energy conservation and cost reduction efforts. The existing chillers were installed in the 1970s and are far beyond their useful life expectancy.

Lastly, we are seeking your support to fund the first of three phases of the Senate Underground Garage Restoration and Landscape Restoration project. Constructed in 1932, the Senate Underground Garage, plazas and fountains continue to deteriorate and are in need of renovation and restoration. The project will also improve the Senate fountain's water efficiency and save future maintenance costs.

These projects, among others highlighted in our budget request, are indicative of the critical nature of the work necessary to maintain the Capitol campus. Every day when I walk around Capitol Hill I'm reminded that the AOC's work directly affects members of Congress, your staff and visitors, and allows you to conduct the important work of government. Rest assured that the proud men and women of the AOC are your partners and we will continue to work around the clock and dedicate ourselves to our mission, no matter the challenges that lie ahead. Thank you.

[The statement follows:]

PREPARED STATEMENT OF HON. STEPHEN T. AYERS

Chairman Capito, Senator Schatz, and members of the subcommittee, thank you for the opportunity to testify today regarding the Architect of the Capitol's (AOC) fiscal year 2016 budget request.

With the support of Congress, the AOC is a strong steward of the buildings and grounds that comprise Capitol Hill. The incredibly talented and skillful employees of the agency care for facilities that are decades and even centuries old—buildings that were constructed without the modern equipment and efficiencies we now take for granted.



Safety canopy over the Rotunda in support of the Capitol Dome Restoration.

In service to the U.S. Senate, the AOC achieved a number of major accomplishments in the past year. This work included moving 15 committee offices and 7 Senator's offices as required by the majority transition. We also began work on the Hart Senate Office Building roof and skylights replacement, including an ongoing structural analysis of the Calder Clouds Mobile. We made critical life-safety systems upgrades to the historic Russell Senate Office Building Rotunda that also preserves its ornate features.

Recognizing that AOC employees are among our most important assets, we continue to make investments to empower them. In 2014, we held more than 30 town halls, sharing critical information and soliciting feedback from our staff. In addition, we conducted an organizational assessment survey and are pleased that more than 80 percent of AOC employees participated. Based on this feedback, AOC was ranked 8th out of 25 mid-sized Federal agencies by the Partnership for Public Service's Best Places to Work in the Federal Government rankings.

AOC is also working to strengthen our supervisors. We have launched a "Supervisory Academy," a week of intense supervision, management and leadership theory and skills development to help our supervisors become extraordinary leaders. Beyond our supervisors, we have launched two programs to encourage our staff to further improve their abilities. This includes the Architect's Mobility Program that allows employees who lack qualifying experience to move into positions where they can gain a specialized skill set, enabling them to progress according to their abilities. And our Exchange of Critical Expertise and Learning (ExCEL) program serves to improve organizational productivity, enhance strategic efficiencies and increase employee knowledge.

As strong as our employees are, our buildings are in need of additional help. Materials like stone, cast iron and bronze are key elements that provide the character and charm that thousands of Members of Congress, their staff and visitors have enjoyed throughout our Nation's history. Yet even these robust materials degrade over time. The maintenance needs of the Capitol campus continue to grow every year, allowing small problems to become major life-safety and infrastructure problems requiring significant investments and resources to remedy.

Taking into account the emerging priorities and looming urgent repairs for fiscal year 2016, we are requesting \$661.8 million—a decrease of 2.2 percent from our fiscal year 2015 budget request.

To address capital projects categorized as urgent or immediate, we are requesting \$144.5 million. This is a \$12 million or 7.7 percent decrease from our fiscal year 2015 request, leaving \$182.9 million of deferred maintenance work to be requested in future fiscal years. We recognize that not every project can be funded at the same time, and the deferred work will continue to be added to future funding requests. While we work to mitigate the risk of major failure by carefully monitoring and maintaining the facilities and systems, we know that delaying critical projects will inevitably result in increased fiscal demands on future budgets.

Ongoing budget constraints mean we must carefully weigh competing demands and use our expertise to recommend investments in the most critical projects. Our Project Prioritization Process ranks every project based on its importance and urgency so that we can effectively recommend to Congress the investments most needed to ensure the Capitol campus remains safe, functional and protected for all who work and visit the buildings and grounds.

AGING BUILDINGS REQUIRE CRITICAL INVESTMENT

Viewed from a distance, the buildings of Capitol Hill are inspiring and impressive, but up close, the buildings are more distressing than impressive, as weather, age and deferred maintenance are destroying many of the finer details of these awe-inspiring stone edifices.



Deteriorating stone on the Russell Senate Office Building exterior.

When stone is properly maintained, it is one of the world's most enduring materials; but when exterior stone deteriorates, major problems such as water infiltration, rusting of steel structures, mold and energy loss can occur within the building.

While our dedicated employees perform the work necessary to maintain our buildings and grounds, they can only ensure the integrity of the materials when they are given adequate resources and support. Years of austere budgets have already resulted in the loss of many irreplaceable heritage assets.

Stone preservation continues to emerge as one of our most important priorities. The condition of the exterior stone on most, if not all, of the buildings on Capitol Hill is rapidly deteriorating. The AOC's historic preservationists, structural engineers and stonemasons are in a race against time as the infrastructure ages and deferred maintenance projects accumulate.



AOC stonemason makes repairs to the Olmsted Terrace Walls.

Stonemasons from our Construction Division have been hard at work making repairs to the Olmsted Terrace—the first in more than a century. Designed by Frederick Law Olmsted in 1874, considered the founder of American landscape architecture, the terrace walls provide a strong visible base to the Capitol and a heightened sense of grandeur and scale. Unfortunately, the terrace conditions have deteriorated over time. But through the expertise of our Historic Preservation Officer and our stonemasons—funded from Capitol Construction and Operations—we are able to make the critical repairs needed to save these assets and restore the Olmsted Terrace to its former splendor.

The longer these stone buildings are left to the destructive effects of time and the elements, the more the problems compound. Instances of cracking and spalling stone grow more serious and more costly to repair every year, and the temporary fixes the AOC undertakes to prevent catastrophic failures are not enough to prevent conditions from worsening. Investing in stonework projects will pay long-term dividends and preserve these historic buildings for decades to come.

At the U.S. Capitol Building, an investment in the rehabilitation of the exterior stone will prolong the building's life expectancy and preserve its historic features. The U.S. Capitol South Extension Exterior Stone and Metal Preservation work will include mortar replacement, fabrication and installation of Dutchman repairs, and stone cleaning. This work will help stem the water infiltration that has been destroying the existing historic fabric of the building.



Spalling stone on the U.S. Capitol Building.

The third phase of the five-phase Russell Senate Office Building Exterior Envelope Repair and Restoration project will address the west façade of the 105-year-old office building. The work will repair the façade, windows and doors; repoint the masonry; restore and refinish the exterior metals and make structural repairs to the balustrades. Rehabilitating the Russell Building exterior will significantly reduce the risk of falling stone and will result in increased energy savings with the maintenance of the doors and windows.



Stone sugaring on the Russell Senate Office Building balustrade.

The Summerhouse, a favorite Capitol Grounds respite during the hot summer months, is rapidly deteriorating and requires intervention to restore the structure to its former grand condition. In particular, the terra cotta roof and bricks are crumbling, leading to an increase in life-safety issues, and the center fountain and grotto lack a recirculating water system, which is an inefficient use of resources. If the

Summerhouse Restoration project is completed, it will ensure that this Capitol Grounds treasure is preserved for generations.



Olmsted's Summerhouse is an American historic treasure.

In future fiscal years, stone preservation will continue to be the AOC's main focus, as nearly every building on Capitol Hill is built from stone and nearly all are in need of repair. Scaffolding already surrounds parts of the U.S. Capitol Building and will soon be visible around the Russell Senate Office Building and Cannon House Office Building as well. These critical stone restoration efforts will ensure that the work of Congress can continue for decades to come.

CRITICAL PROJECTS

In our fiscal year 2016 budget request, we are requesting funding for projects that will ensure necessary investments are made in our historic infrastructure and increase the safety and security of those who work or visit Capitol Hill. Providing superior service to our customers and executing numerous large-scale and highly visible multi-year construction projects is a formidable challenge that we are addressing by managing risk and transparently communicating with Congress and the American public.

AOC is responsible for meeting a wide range of fire, life safety, accessibility and performance standards, while also balancing operational needs and challenging working conditions that are unique to Capitol Hill and our aging buildings. In particular, we are focused on energy efficiency, addressing safety deficiencies and repairing crucial building infrastructure.

The Capitol Power Plant (CPP) will continue to play an essential role in the AOC's long-term energy conservation and cost reduction efforts. The CPP's existing chillers, located in the West Refrigeration Plant (WRP), were installed in the 1970s and are rapidly approaching the end of their useful life expectancy. The risk of chiller failure increases as we continue to rely on this equipment to provide environmental control to the buildings on Capitol Hill. The next phase of the WRP Chiller System Replacement will replace two old, inefficient chillers and primary chilled water pumps with a new chiller, in addition to making other essential upgrades and repairs. The chiller replacement will reduce the Capitol Power Plant's energy consumption, increasing efficiency and simultaneously providing a significant electrical cost savings.



Chiller reaching the end of its life expectancy.

To mitigate Office of Compliance citations across the Capitol campus, we are requesting funding for the second phase of the Library of Congress Thomas Jefferson Building North Exit Stair B, which will address important egress deficiencies in the building. The AOC will construct a new self-supporting masonry exit stair in the northeast stacks that extends from the cellar to the top floor of the building, in addition to constructing new fire-rated exit passageways. The project will ensure that occupants of the Jefferson Building will be able to efficiently and rapidly exit the building during an emergency evacuation.

Constructed in 1932, the Senate Underground Garage, plazas and fountains continue to deteriorate and are in need of renovation and restoration. Our request to fully fund the first of three phases of the Senate Underground Garage Renovations and Landscape Restoration will waterproof the upper and middle plaza fountains and surrounding stonework, restore the walkways and waterproof part of the garage ramp. The project will improve both of the fountain's water efficiency and save future maintenance costs for stonework repair.



Deteriorated Senate Underground Garage.

The longer these projects are delayed, the more the conditions of the buildings will decline. Proper investment is needed to ensure the historic fabric of these buildings is not lost to the ravages of time.

CONCLUSION

Chairman Capito, Senator Schatz and members of the subcommittee, funding our recommended capital projects in fiscal year 2016 ensures that necessary investments are made in our aged infrastructure, and maintains the unique and historic buildings that serve Congress and the American people.

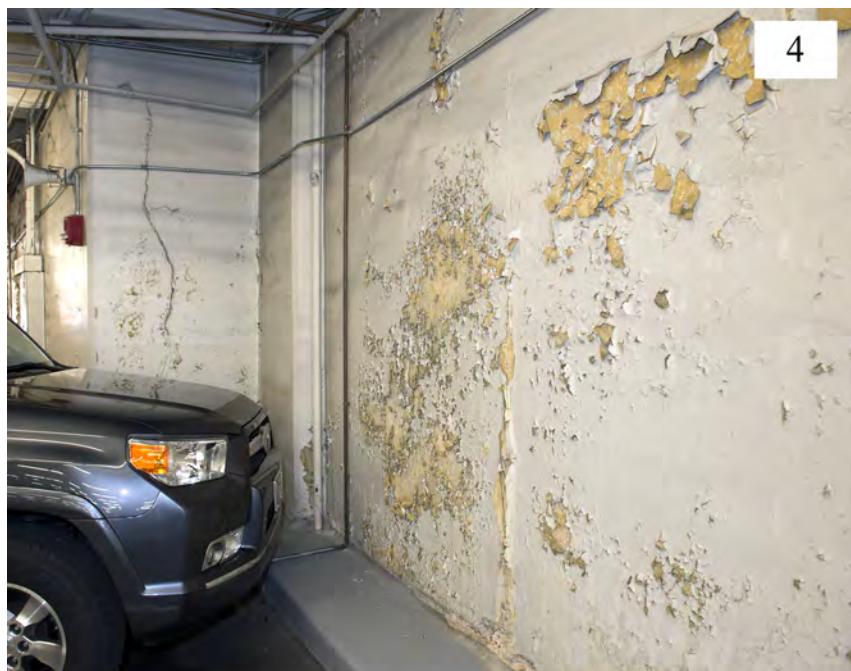
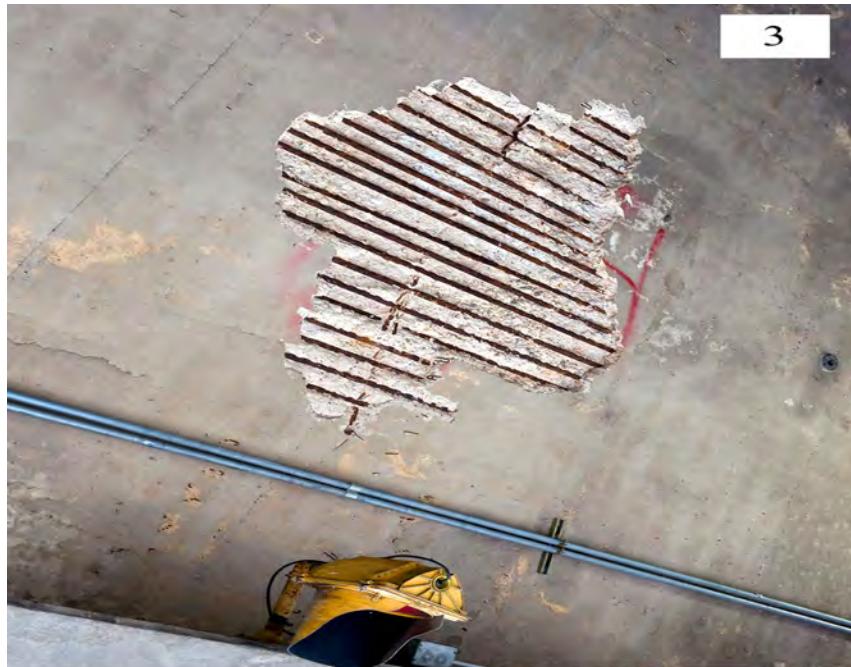


We appreciate the previous investments, support and trust Congress has placed in us to address critical construction projects across the Capitol campus. The investments made in the AOC have enabled us to preserve history and ensure Congress can accomplish its daily functions.

The buildings of the Capitol campus are well cared for by the dedicated men and women of the AOC who use their incredible talents and skills to maintain the buildings and grounds. Day after day, our employees deliver inspiring and professional service to our customers. Each employee's contribution is vital to our success as an organization.

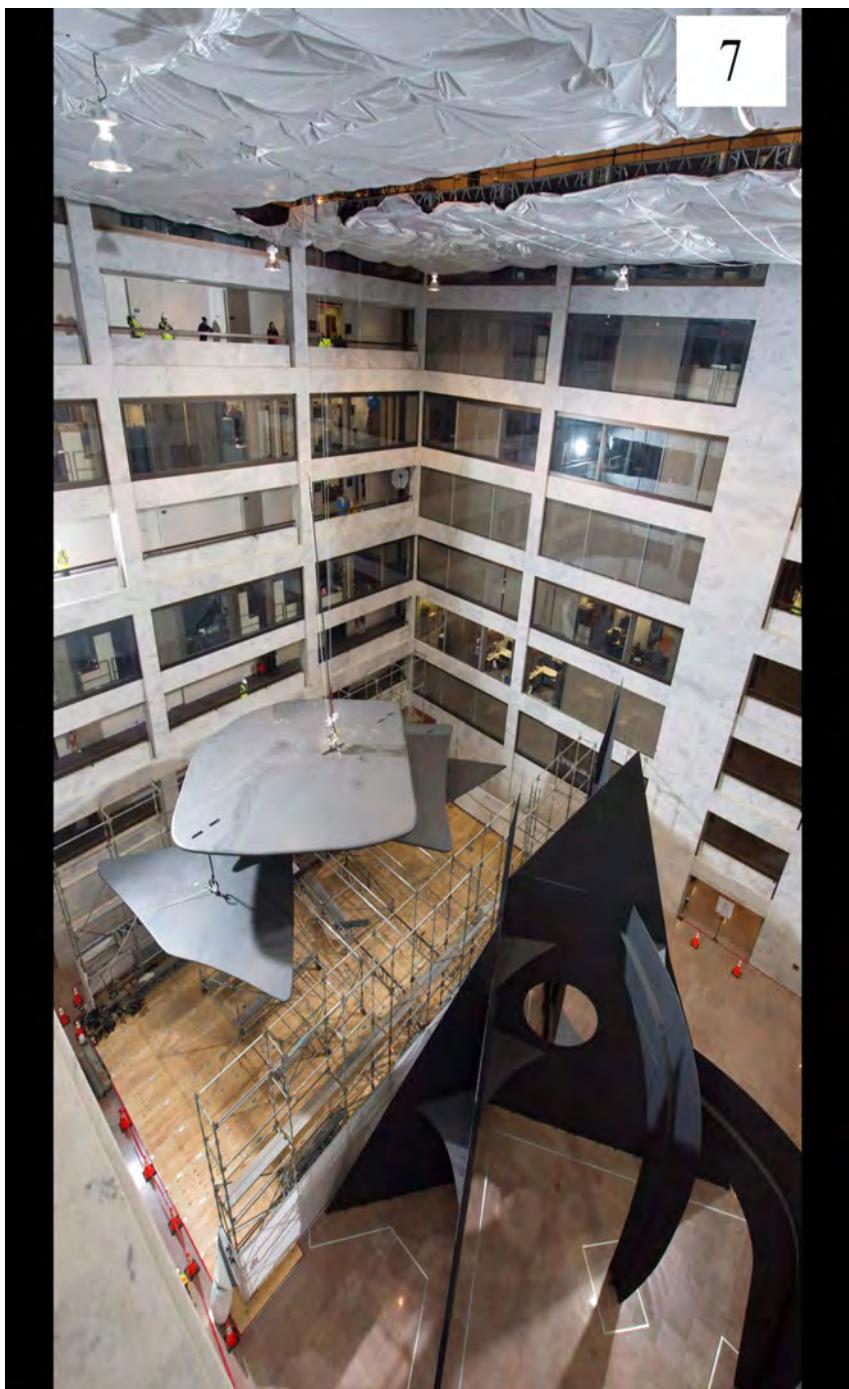
There is much work to be done, but we believe that there is no greater mission than upholding the historic buildings entrusted to our care. The American people and future generations are counting on us to work together to invest the necessary resources to sustain the treasures of Capitol Hill.

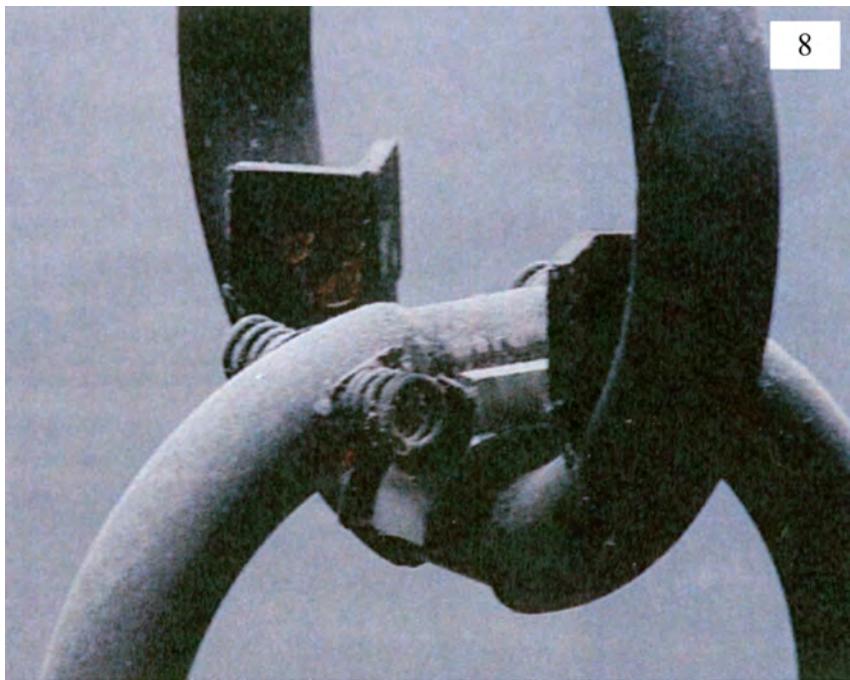
ARCHITECT OF THE CAPITOL POSTER BOARDS





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U.S. CAPITOL DOME RESTORATION

Senator CAPITO. I want to thank you, and I'll go right to questioning.

The Dome, obviously, is the most prominent demonstration of the work of the Architect of the Capitol, the rehabilitation work which you toured for us, probably on the coldest day of the year. Thank you very much for that.

I understand you mentioned that it is on budget and on schedule. I'd just like a reaffirmation of that because obviously I have concern about the inauguration of 2016. Do you have full confidence that you'll have this completed in time for that?

Mr. AYERS. Yes, I do. This is a three-phase project. We're executing the exterior now, and we expect that to be finished this time next year. So that's well in advance of the 2017 presidential inauguration. And the final two phases, the interstitial space and the Rotunda space, are both awarded, and work and planning is well under way. We're pretty confident that we'll make that date.

PROJECT PRIORITIZATION PROCESS

Senator CAPITO. Good, that's good news.

On your request, you have line-item construction projects in priority order. I noticed that you mentioned Phase 3 of the Russell Building exterior envelope. We also looked at that as well and concur that it's in need of restoration and repair.

But as we're looking through the budget, if we flat fund you, we're not even going to get to that project. Do you anticipate that you will be reconfiguring some of your top projects or phases? The

\$29 million for the West Refrigeration Plant, is that the final phase of that project?

Mr. AYERS. It is not the final phase. I think the total expenditure on that program is about \$180 million.

Senator CAPITO. Wow.

Mr. AYERS. We've already broken it down into about six phases. I think there's potential that we can certainly work with the sub-committee to move those projects up and down the priority list as funding is available, and we're well poised to work with the sub-committee to do that.

It's interesting, as I look through that list, nearly all of them are immediate priorities. The difference in priorities is rather small between them, and moving one above the other will have fairly low consequences. We would welcome the opportunity to do that.

STONE DETERIORATION

Senator CAPITO. What about the question I asked in my opening statement in terms of the large projects, and you mentioned in your opening statement the deterioration of the Capitol Plant in and of itself. Do you have a side part of your vast responsibilities where you're looking at ways to do better maintenance or prevent the grand deterioration? When we looked out at the park over by the Russell Building, I think it was mentioned that these stones had been moving for decades, and I know you tried to address them, but couldn't address them.

What do you say about that? Because certainly that would help with cost issues.

Mr. AYERS. First let me show you an image or two of the stone restoration.

Senator CAPITO. Okay.

Mr. AYERS. I think you have some photographs at the dais, and let me just refer you to images 1, 2, 3 and 4. Image 1 is a great example of stone deterioration. This comes from water, and you can see the base of the wall that has pulled away from its structural system, and the severe deterioration at the bottom.

Similarly, if you look at photographs 1, 2, 3 and 4, you'll see very similar deterioration there.

To answer your question, the work that we do and our maintenance is not out of the ordinary. I think it's in line with industry best practices.

What's different is we are managing historic buildings that are 100 to well over 200 years old, and we are dealing with the materials and methods of construction from that time. Keeping those buildings maintained is the issue that causes us the most difficulty.

Take stone, for example. We are using the latest technology. Thirty or forty years ago, cleaning stone would have been done with high-pressure power washers or sand blasting, and today we're doing that with water misting and the newest technology of hand-held laser cleaning of stone that is making incredible efficiencies in our projects, and costs as well.

We are abreast of the latest technologies and are using those in the work that we do today.

UNION SQUARE AND GRANT MEMORIAL CONSERVATION

Senator CAPITO. My last question will be about the Union Square and Grant Memorial conservation. My understanding was that in the 2012 budget you took over the responsibilities for Union Square and the Grant Memorial conservation without really any additional funding provided to you.

It is a beautiful area as you're walking down from the Capitol, a lot of visitors walk through there. I understand you're going to be refurbishing the Grant Statue and all of the walkways and the pumping system for the Reflecting Pool there.

How are you putting this into your budget, and what do you see for that area of the Capitol?

Mr. AYERS. What an important space that is for this grand city of Washington, DC, and what an important memorial to Grant this is. It is in a significant state of disrepair, and we were delighted that the Congress acquired that property, and we are working hard to be good stewards.

I have another image or two, if I may, of that. If you can look at image 5 and 6, a great example is image 6. This is the current state of that statue. You can see the military officer here with his hand raised in victory with his sword, only that the sword is missing, and this is just one of probably 100 pieces of the statue that have been removed and deteriorated.

Similarly, you see the deteriorating condition of the bronze statue and the staining of the marble of this stone, and we're eager to undertake that work and get it looking the way it should be looking.

The first thing that we've done at Union Square is to stabilize it and make it safe by removing the tripping hazards and making sure people can safely traverse through Union Square. We have expended about \$1 million doing that work.

Secondly, we've spent or will spend about \$1 million in the short term conserving the bronze, conserving the marble, and getting this piece of important statuary collection back to the way it should be.

Thirdly, we have undertaken a series of studies to help us understand the cultural importance of this piece of property and what needs to be done long term to the infrastructure. When we acquired the property, the pumping room was completely submerged in nearly 10 feet of water and had been that way for a very, very long time. We've now drained it and are beginning to understand what needs to happen to get this Reflecting Pool functioning the way it needs to function.

Senator CAPITO. Senator Schatz.

Senator SCHATZ. Senator Murphy.

Senator CAPITO. Senator Murphy.

Senator MURPHY. I'm going to leap over Senator Schatz. I just have one quick question, so I appreciate Senator Schatz allowing me to ask it.

HART ATRIUM AND CALDER SCULPTURE

Thank you for the work that's going on right now in the Hart Atrium regarding a structural assessment of the Calder Statue.

Calder is a Connecticut-based sculptor, someone that we're very proud to be associated with. Of course, that statue has not been operating according to Calder's wishes for some time. I know that this is going to be a lengthy analysis because you're looking at whether there is the structural ability to re-mechanize the clouds portion of the statue while also just trying to understand whether it's financially feasible as well. I was able to take a quick tour of the work, and I think there's great progress being made. But I'd love an update on that analysis as it stands today.

Mr. AYERS. Thank you, Senator. We are certainly concerned about that. The roof of the Hart Building and the skylights were leaking significantly, and we came to the Congress seeking money to replace the roof and replace a significant number of skylights. As part of that project, we had to scaffold the Atrium. It presented a wonderful opportunity to analyze the Calder sculpture and understand why the clouds haven't been rotating since 1992, I think it was. We're in the process of doing that analysis.

You may have seen a notice we've sent out to member offices just within the last few days that we're about to undertake the x-ray portion of that analysis. We will be looking very carefully at all of the welded joints in the clouds themselves and the connecting devices of the clouds to see if there are cracks and understand the depth of the welds. That process will happen over a number of weekends over the course of the next several weeks.

We expect to have that report this summer and come back to the Congress with our recommendation on how we should proceed with getting it repaired and whether or not it can continue to spin and function as it was originally intended to.

Senator MURPHY. Well, we have about three feet of snow on the ground in Connecticut, so we've seen a lot of clouds over the course of the last few months. It's nice to see occasional cloudless skies, but we're hopeful to have that structure back up and operating as it was originally intended to.

Thank you, Senator Schatz, for allowing me to jump in.
Senator CAPITO. Senator Schatz.

CONTRACT OVERSIGHT

Senator SCHATZ. Thank you, Chair Capito.
I have a few questions, Mr. Ayers.

I know the Architect relies on contractors for a number of your major construction contracts, and I think that makes sense, especially when you lack the specialized expertise. I'm interested in how you do your contract oversight, and I'm particularly focused in on whether you're following GAO's best practices for contract oversight.

Mr. AYERS. To answer the second question first, we believe that we are. We had a recent GAO audit of our cost estimating and risk assessment practices within the last year, and we are following those practices and have done five cost and risk assessments on our major capital projects, and all of them seem to be in line with our expectations. We are achieving an 80 percent confidence rate, both in cost and schedule, and in many of our projects we are exceeding that 80 percent confidence rate in both cost and schedule. So we think we're following the best practices.

Secondly, we take a very comprehensive approach to contract management. We treat our contractors as our partners. Our success and the success of the Congress in these endeavors are related to the success of our contractors. We partner with them and perform rigorous oversight of our contractors. We are engaged with them at so many different levels, starting with a contracting officer and a contracting officer's technical representative, a project executive, a project manager, a project inspector, a construction manager, and on down the line.

A great example of that is we recently had about 15 of our construction managers certified as certified construction managers through the Construction Management Association of America. So making sure the folks that are on the ground working with contractors are the best they can be is important to us, and we're investing in that.

Senator SCHATZ. Are you adhering to your existing internal policies and standards? Is this an improvement that you've made over the last couple of years?

Mr. AYERS. It's only been in recent years that we've actually captured our project management practices in a written manual. All of those procedures, just within the last 5 years, have been written and codified both in a manual and guidance and policy that I've signed and directed all of the members of our organization to follow these procedures as we perform contractor oversight.

PROJECT SCHEDULE AND COST

Senator SCHATZ. Speaking of contract management, Chair Capito asked about the Capitol Dome restoration being finished before inauguration, made reference to the Grant Statue in Union Square, and also the exterior stone work I believe. Can you just confirm for the subcommittee that all of those projects and any other projects will be completed before the inauguration?

Mr. AYERS. I'd be happy to, and I can confirm that. Every member of this organization understands how important the presidential inauguration is and knows that we are front and center on every television screen across the world on that day.

Senator SCHATZ. And who bears the cost if something unforeseen happens? Let's say you had to take down scaffolding to conduct the inauguration and then re-start one of those projects. Would it depend on the reason for the delay and the way the contract is written, or is there some way this goes every time?

Mr. AYERS. I think all of those things are situationally dependent. If it's some force majeure, then we have to pay for that. If it's delayed because of the contractor's fault, then we would insist that the contractor pay for that.

The scaffolding and everything else is going to come down by the time the presidential inauguration happens, and we will ensure that the West Front and the East Front of the Capitol look terrific.

FORT MEADE

Senator SCHATZ. Thank you. And my final question on the Fort Meade acquisition, my understanding is that there is 100 acres, the total number of acres, and then there's seven acres or so that were part of an old railroad owned by the State of Maryland. Have you

made your arrangement with the State of Maryland, gotten your easements, and is there any thought given to not acquiring that last seven acres because of the potential environmental mitigation that may be required and the cost associated with it?

Mr. AYERS. We did submit legislative language in our budget request, and the purpose of that is to allow us to begin negotiating with the State of Maryland to acquire that piece of property. I think all of that will be determined in the negotiations.

Today, what's in front of us is the construction of Fort Meade Module 5, and we have negotiated and signed a Right of Entry with the State of Maryland allowing us to proceed with construction of Module 5.

Senator SCHATZ. Module 5 is not on those seven acres. You just need an easement through the seven acres to do the construction?

Mr. AYERS. Correct. We have to run utilities through the easement to feed Module 5.

Senator SCHATZ. Okay. I would just ask you to stay nimble on this one because we're obviously nowhere near having built out all 93 acres, which are by all accounts free and clear. So it would be great to acquire those last seven acres. But if it proves to be difficult, as sometimes is the case with parcels of property that may have environmental requirements, I think we should all be prepared to just work with the first 93 acres and not get into a long and potentially expensive process, especially if it's not necessary. So let's all stay nimble on this.

I don't have a dog in that hunt, except that I don't want to see you wasting your time, and I certainly don't want to see us using taxpayer dollars to have to do environmental mitigation on land that we went out of our way to acquire.

Mr. AYERS. I understand, and we certainly will. Thank you.

Senator SCHATZ. Thank you.

Senator CAPITO. Any further questions?

Senator SCHATZ. No. Thank you.

Senator CAPITO. Thank you, Mr. Ayers. I have no further questions.

I want to thank the staff, too, of the Architect's Office for your time here today.

ADDITIONAL COMMITTEE QUESTIONS

The hearing record will remain open for seven days, allowing members to submit statements and/or questions for the record, which will be sent to the subcommittee by close of business on Tuesday, March 24th, 2015.

[The following questions were not asked at the hearing, but were submitted to the Agency for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO DR. JAMES H. BILLINGTON

QUESTIONS SUBMITTED BY SENATOR BRIAN SCHATZ

BUILDING THE DIGITAL COLLECTION

Question. What is your long term vision on building the digital collection?

Answer. The vision for digital collections at the Library of Congress is anchored in the Library's mission to support the Congress in fulfilling its constitutional duties and to further the progress of knowledge and creativity for the benefit of the Amer-

ican people. It is also part of the larger vision that covers both analog and digital collections. The Library strives toward:

- A universal collection of knowledge, unmatched in the world, analog and digital;
- Routine and easy acquisition of analog and digital materials by deposit, purchase, gift, and exchange, in pursuit of serving our patrons in the present and preserving a national patrimony for the future;
- Collections moving quickly to the hands and screens of on-site scholars and users of the public Web site;
- Serving patrons and the public with the tools and skills needed to access and analyze digital collections;
- A digital and analog collection that is universal, well organized, and easy to use, enabling authoritative research and analysis for Congress; and,
- The Library of Congress continuing as a center of excellence in the practices of acquiring, describing, managing, preserving, and providing cultural heritage material and as a world leader in the handling of digital material.

Question. How is that reflected in your budget?

Answer. The Library has requested fiscal year 2016 funding of \$2.005 million (15 full-time equivalents (FTE)) to establish a Digital Collections Center, which will provide an essential increase in the institution's capacity to ingest, process, manage, preserve, and provide access to digital material. As a centralized team, this operation will collaborate with technical staff elsewhere in the Library. It also will assist other staff members who work with digital collections, increase standardization of the work, engage underserved curatorial divisions, and provide training across the Library.

Question. Who makes the judgments and what judgments are to be made about either what comes in digitally and then gets archived or what comes in in analog form and then gets digitized?

Answer. In general, subject specialists make such judgments under a framework of existing policies. The Library has a set of more than 70 Collections Policy Statements and Supplementary Guidelines documents (see <http://www.loc.gov/acq/devpol/cpsstate.html>) that guide the institution's acquisitions and selection operations for both analog and born digital materials. The policies provide a plan for developing the collections and maintaining their existing strengths. They set forth the scope, level of collecting intensity, and goals sought by the Library to fulfill its service mission. Proposals to digitize analog materials are prepared by specialists and submitted to the Digital Library Content Group (DLCG), a committee with Library-wide representation. Proposals are evaluated by the DLCG using these criteria:

- Value to Congress
- Scholarly research value
- General audience interest
- Educational value
- Historical or cultural significance
- Extent to which it fills in major gaps in subjects covered
- Extent to which it augments/complements existing collections presented on the Library's Web site
- Extent to which it represents "star" materials in LC collections (top treasures, extraordinary items)
- Extent to which it reduces wear and tear on fragile and/or valuable physical materials
- Potential to engage new audiences
- Relationship to a planned event
- Relationship to a planned exhibit
- Extent to which it provides an opportunity to collaborate with outside communities

Question. Is there a growing field of specialized expertise in the curating of digital materials?

Answer. Yes, specialized expertise is required on the technical side. The Library already has limited resident expertise in digital curation. The establishment of the Digital Collections Center will allow for an expansion of that expertise base in the Library and result in the ability to greatly expand our digital collecting program.

Question. Are you all set to bring on this expertise, and now you just have to fund it and execute?

Answer. The Library is prepared to expeditiously establish and staff the Digital Collections Center.

CONCLUSION OF HEARINGS

This concludes the Legislative Branch Appropriations Subcommittee hearings regarding the budget request for fiscal year 2016.

The subcommittee stands adjourned.

[Whereupon, at 4:20 p.m., Tuesday, March 17, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]